

Moshavim caving in over huge debts

By DAVID APPEL
Idm Reporter

ASHKELON. — Twelve members of Moshav Noga in the Lachish region, arrested for non-payment of debts, were brought before the Ashkelon Magistrates Court yesterday.

They were all released after promising that within three weeks they would either reach agreement with the official liquidator on payment of their debts or else turn their farm over to the liquidator for sale, and in return get rental housing in a nearby town.

They had been detained last Thursday on the instructions of the execution office after failing to reach an agreement on the payment of their debts.

Noga, once a flourishing settlement, reached the stage of liquidation after it accumulated debts said to have reached IS26 million by last summer.

The bulk of the debts is owed to the Flower Marketing Board, the Agricultural Bank, and the Negev Purchasing Association. But there is also a long list of smaller creditors. Last year, another Lachish moshav, Zavidel, which is affiliated to Poalei Agudat Yisrael, was liquidated for similar reasons. Last week, Moshav Eitan, also in Lachish, with about 70 farms, decided to request voluntary liquidation.

According to an official announcement issued last night, Labour and Social Welfare Minister Aharon Uzan will raise in the cabinet the problem of the indebtedness of moshavim. Uzan in-

formed Ya'ir Yakir, registrar of cooperative societies, of his intention to do this.

Uzan was moved to act following the application of the members of Moshav Eitan for its voluntary liquidation.

Of the 83 independent farms in Noga, there were 40 who refused to pay their debts and against whom the execution office opened files. According to Yakir, only after they were given two months' notice did the execution office call for their arrest.

For the past few months the atmosphere in Noga has been tense. The farms without debts and those who have made arrangements for their repayment attempted to work their farms as usual, but the moshav's institutions have stopped functioning. There is no moshav committee, no health clinic and no community services.

Yakir says that many other settlements throughout the country are burdened by debts and will cave in if no solution is found.

150 moshavim in trouble

One hundred and fifty moshavim are in a state of financial crisis and the Treasury is holding up aid, Deputy Agriculture Minister Pessah Grupper told Israel Radio last night.

Grupper claimed that 30 moshavim had been helped back on their feet during the past year, but 30 more were in dire straits because IS750 million, promised by the Treasury, had not been forthcoming.

Escapee back in prison, claims he is innocent

By LIORA MORIEL
Jerusalem Post Reporter

One of the three convicts who escaped from Beersheba Prison Thursday morning, gave himself up to police early yesterday.

Sentenced to life imprisonment in 1979 for the murder of a Jew in Rehovot, Khalil Ibrahim Abu-Amar, now says he is innocent and only confessed to the murder because of "police brutality and undue pressure."

Khalil's parents, interviewed yesterday at the family's encampment between Beersheba and Dimona, were adamant that their son is not guilty. They insist that the real murderer is Abed Abdul Manhan Abu-Amar, of Gaza, who fled to Jordan after committing the crime five years ago but returned to Israel two years ago and confessed. They say Abu-Amar only got 18 years while their son and another Beduin man were sentenced to life imprisonment for the crime. Khalil's family says it will now ask for a retrial.

Sheikh Abdul Kader Abu-Amar, who negotiated with police for Khalil's return to prison for three

hours early yesterday morning, told *The Jerusalem Post* he is sure Khalil is innocent.

But closer examination revealed that the real issue at stake is tribal honour.

"I have proof that Khalil did not commit the murder, but I am angry with him for confessing to the crime. That is why I never visited him in prison," said Sheikh Abu-Amar, adding that, because Khalil had broken down "in an unmanly way and confessed," he had also never acted for Khalil's release or retrial.

Commenting on the possibility an innocent man, incarcerated for a crime he did not commit, made a desperate attempt to escape to freedom, Prisons Service deputy spokesman Haim Glick said: "I have never met a man in prison who does not swear he is innocent."

The police are still searching for the two other convicts who escaped with him, both also convicted murderers. Atiya Khalil Turi, 26, and Suleiman Salomon Abu Madjian, 29, committed several murders and are considered dangerous.

Histadrut is to press for 'voluntary' summer time

Jerusalem Post Reporter

TEL AVIV. — The Histadrut's central committee yesterday decided to press for the introduction of "voluntary" summer time.

Yeroham Meshel, secretary-general of the Histadrut, yesterday said his appeal to introduce "voluntary" summer time applied to all sectors — government, Histadrut, public and private.

Of course, full agreement would first have to be reached between management and the workers committee in each undertaking, but he did not think there would be any objection, especially since it is advantageous to both sides.

He also wanted the introduction

of summer time to become a part of all future collective labour agreements.

Nevertheless, Meshel felt that "voluntary" summer time would be only a partial solution, and he called upon the government to introduce it on a national scale.

He recalled that some months ago he had written to Prime Minister Menachem Begin, pointing out the benefits of summer time, and called upon the cabinet to take the proper steps, even if this meant overriding the objections of Interior Minister Yosef Burg. The prime minister has not taken any steps in this direction.



Visiting Israel Defence Minister Moshe Arens walks to his car yesterday in the sweltering Washington heat. (UPI telephoto)

Arens: Syrians need to be pressured

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — Defence Minister Moshe Arens urged political pressure on the Syrians to persuade them to leave Lebanon.

Interviewed yesterday on ABC Television's *This Week*, Arens said: "The Syrians would like to take over all of Lebanon. They consider Lebanon to be a part of Syria."

Thus, he said the U.S., Israel, Lebanon and Western Europe must be prepared to continue their pressure of the Syrians to leave.

Arens is due back in Israel today. Asked what steps might be taken, he once again urged the Lebanese government to formally insist that the Syrians leave. He also urged the Arab League officially to end the

Syrian "peacekeeping" mandate there, Syria, he added, has shown to be sensitive to such pressures in the past.

Arens was also relatively optimistic that Israel's smashing of the PLO in Lebanon would eventually lead to a more moderate West Bank Palestinian leadership.

"It is true to the best of my knowledge that the PLO has lost a great deal of influence in Judea and Samaria," he said. "The fear of terror that they levelled against the population there, against any potential leadership in the area — that has come down very considerably. And I think you will still see the fruits of that development in future months."

Arens expressed the belief that

the West Bank population and leadership would become "ready to talk to Israelis, would be ready to consider moderate solutions rather than extremist solutions that have been plugged by the PLO up to now. And I think it will, therefore, mean an additional step in the peace process toward an accommodation that will probably take some time to ride out."

Arens said the U.S. and Israel have finally reached the same basic view toward resolving the situation in Lebanon.

"We find that our views on the Middle East, our views on Lebanon, are very close to each other, and I think, therefore, there's a good chance for a concerted, coordinated, common strategy between Israel and the United States."

NEWS ANALYSIS / David Bernstein

McFarlane: new man or new message?

President Ronald Reagan's newly-appointed special Middle East envoy, Robert McFarlane, arrived in Beirut yesterday at the start of a mission that Washington apparently hopes will remove the obstacles standing in the way of the withdrawal of all foreign forces from Lebanon.

While the new envoy has scheduled talks with President Amin Gemayel, Prime Minister Shafik Wazzan and other Lebanese leaders, it is generally recognized that the focus of his mission will be the Syrian capital, Damascus.

It was Syria's adamant refusal to deal with McFarlane's predecessor, Philip Habib, that led to the new envoy's appointment last month, with Washington now apparently aware that Damascus holds the key to any settlement in Washington.

Until his resignation, Habib was restricted to visiting Washington's traditional friends in the region, with special emphasis on Saudi Arabia. The Americans had hoped the latter would pack sufficient clout to persuade Syria to lift its

veto on American-sponsored moves to break the impasse in Lebanon.

The failure of the Saudis to influence Damascus appears finally to have persuaded Washington that its Middle East policy was misaddressed. It now realizes that its past efforts to isolate Syria and the "rejectionists" and build a peace process based on the traditional U.S. allies — Jordan, Saudi Arabia and Egypt — which culminated in the still-born Reagan Plan last September — had little hope of succeeding.

Thus, the departure of Habib and debut of McFarlane would seem to symbolize a fundamental shift in Washington's perception of the contemporary Middle East going far beyond any simple need to replace an envoy viewed as antipathetic by the Syrians.

Just what success McFarlane can possibly hope for will depend on his ability to persuade Damascus that such a shift has indeed taken place. Syria has made it plain from the start that it is utterly opposed to the agreement that the U.S. hammered

(Continued on Page 2, Col. 5)

Hebron quiet, but new curfew in Nablus

Jerusalem Post Reporter

There were no disturbances in Hebron yesterday when the army lifted a curfew imposed last Tuesday after the murders of three Hebron Islamic University students.

But in the case of Nablus, rock-throwing youngsters forced the army to reimpose a curfew lifted in the afternoon. In Jenin, two residents of a nearby Arab village were injured by rocks thrown during a brief demonstration in the centre of town. They were travelling in a car owned by an Israeli Arab builder.

The police and General Security Services investigations into the Hebron murders continued. Investigators are trying to find the getaway car and to determine which series of army-issued hand grenades was the stock for the grenade thrown at the end of the attack.

U.S. optimistic for Central American peace

WASHINGTON. — The U.S. sees new hope for a negotiated settlement to the conflict in Central America, Jeane Kirkpatrick, America's Ambassador to the UN, said yesterday.

Kirkpatrick, considered one of President Ronald Reagan's most influential advisers on Central America, described herself as "cautiously optimistic" about prospects for a peace settlement.

The Sandinista regime in Nicaragua has threatened to go to war with U.S.-backed Honduras because of its support for anti-Sandinista rebels.

Kirkpatrick said recent conciliatory statements by Cuban leader Fidel Castro were a sign of progress.

"Any time you can get Fidel Castro to talk about negotiations and peace and an end to destabilization in the region, that's progress," Kirkpatrick said in an in-

terview with CBS television programme, *Face the Nation*.

Castro said last week he would halt military aid to leftist Nicaragua if an agreement could be negotiated for all nations to stop sending military aid and advisers anywhere in the region.

U.S. officials claim Cuba has 2,000 advisers in Nicaragua.

Administration officials have said Reagan would prefer the Organization of American States (OAS) to conduct peace negotiations, rather than the "Contadora" group of Mexico, Venezuela, Colombia and Panama. They say he feels the group is more sympathetic to Havana and Moscow than the OAS would be.

Kirkpatrick said the administration considers the negotiation process "very much alive" despite Saturday's failure of the Contadora-sponsored talks among foreign ministers from the group and five

Central American nations to produce a peace formula in the region.

She said Nicaragua's participation in the talks was a sign of greater willingness by the Sandinista government to consider a negotiated settlement.

But Kirkpatrick added that it would still be inappropriate for the U.S. to stop its aid to El Salvador or to anti-Sandinista forces operating out of Honduras.

Reagan's special envoy to Central America, Richard Stone, is due in Managua today for talks with Nicaraguan officials on averting war with neighbouring Honduras.

Nicaraguan government officials said Stone will talk with Daniel Ortega, head of the three-man junta, and Foreign Minister Miguel d'Escoto, among others.

Panamanian Foreign Minister (Continued on Page 3)

Israel pledges to ease takeover by Lebanese

Post Diplomatic Staff

Israel and the U.S. agreed in the Washington talks last week that the Israel Defence Forces deployment should be coordinated with the U.S. and Lebanon. Reporting to the weekly cabinet meeting yesterday on the talks he and Defence Minister Moshe Arens held in the U.S. capital, Foreign Minister Yitzhak Shamir said that Israel had promised to do everything to smooth the way for the Lebanese Army's takeover in the Shouf Mountains.

But until that happened, Israel was actively working to pacify the region and to encourage the Druse to reach an agreement with the Lebanese government, Shamir told the cabinet.

The Defence Ministry's coordinator for operations in Lebanon, Uri Lubrani, is understood to be devoting all his time to fostering such an agreement.

(Authoritative sources in Jerusalem said yesterday that, although Fadi Frem, the commander of the Lebanese Forces (or Phalange in the main), has said publicly that his units would move out of the Shouf if the Lebanese Army moved in (See story this page), the obstacle to a smooth handover in the Shouf is the local Christian commander, Samir Jahja, who obeys Frem's orders only selectively. Jahja, these sources say, has been personally responsible for some of the friction with the Druse in the Shouf Mountains.)

Israel does not have much hope in the prospects of the mission of

Robert McFarlane, the U.S. special envoy, who is due in Damascus later this week. Shamir told the cabinet that Syria apparently had no intention of withdrawing its troops from Lebanon. He said that the U.S. administration had aired the idea of a separation of forces in the Bekaa Valley in eastern Lebanon.

He said that Israel did not reject this idea in principle, but he added no details.

Shamir also said that Israel had no idea what proposals McFarlane would air in Damascus, but took it for granted that the U.S. would not propose any deal with Syria which could be detrimental to the security of Israel or Lebanon.

Contrary to some reports, the U.S. administration was not particularly optimistic that the McFarlane mission would succeed, the ministers understood. But it was the intention of the administration to continue urging the Syrians to withdraw their troops on the ground that Syria's interests would be served, they understood.

Jerusalem assumes that McFarlane would welcome a Syrian demand, if made, for a separate Syria-Lebanon security agreement not linked in any way to the Israel-Lebanon security agreement. The U.S. administration would then try to persuade Syria to incorporate a withdrawal timetable in such an agreement, and would then approach Israel and suggest that it, too, submit — a withdrawal timetable.

But, for the time being, the ministers understood, the U.S. had not asked Israel to draw up its withdrawal timetable, but was making do with top-level assurances that (Continued on Page 2, Col. 1)

Shamir angers his ministry staff

Post Diplomatic Reporter

The Foreign Ministry staff committee wrote Foreign Minister Yitzhak Shamir last Thursday to express their "anger and bitterness" at what it called "a long series of broken commitments and violated procedures" with regard to appointments.

The protest letter listed over a dozen points, but apparently the two straws which broke the camel's back concerned the appointment of an outside man as information minister in Washington, and the prevarication over the appointment of a staffer to the embassy in Stockholm.

The letter noted that after the Washington job was given three years ago to another outside man, the minister promised in writing "formally and unambiguously" that the appointment then of Harry Hurwitz would not serve as a precedent for the future.

The letter said: "We are aware that in recent years your attention has been drawn several times to substantive complaints about the malfunction of the information apparatus directed by Mr. Hurwitz." According to the staff committee, this should have deterred the minister from repeating the outside appointment, quite apart from his promise not to do so.

The proposal that Yoram Ettinger replace Hurwitz, caused "astonishment" because "his experience and his professional ability are in doubt."

The letter noted that five months before, it had been unanimously agreed to send one of the ministry's "most experienced and veteran employees" to Stockholm as ambassador (David Rivlin), but the minister himself personally held up final approval without giving any reasonable explanation.

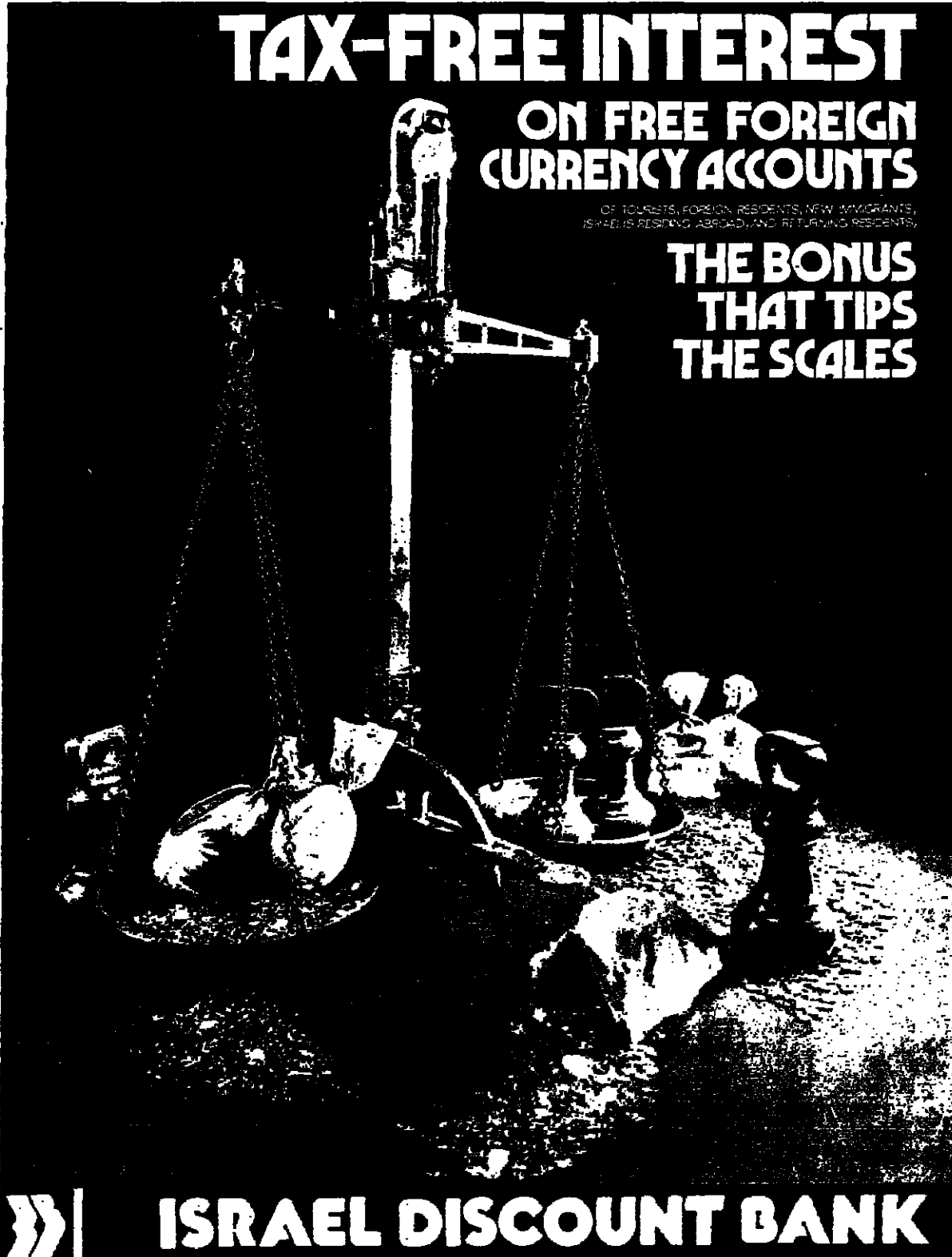
The letter also mentioned two outside candidates to jobs in London and Los Angeles whose appointments had been arranged to solve personal problems.

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TO OUR READERS

Due to ever-increasing production costs, we again have to increase the price of the daily *Jerusalem Post*.

Beginning today, August 1, The *Jerusalem Post* will cost IS 35 on weekdays, including Monday's issue with the 8-page Weekly Review supplement from the previous day's *New York Times*. Friday's issue of The *Jerusalem Post*, with its Magazine and pull-out entertainment guide, will cost IS 50.

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The weather at major Swissair destinations

	31.7.83	MIN	MAX	
AMSTERDAM	15	29	32	Clear
BRUSSELS	18	24	30	Clear
BUENOS AIRES	6	33	35	Clear
CHICAGO	20	28	30	Clear
COPENHAGEN	13	25	29	Clear
FRANKFURT	15	26	31	Clear
GENEVA	18	24	31	Clear
HELSINKI	12	24	28	Cloudy
HONG KONG	28	32	35	Clear
JORDANESBURG	8	17	23	Clear
LISBON	18	26	27	Cloudy
LONDON	18	24	27	Clear
MADRID	20	28	29	Clear
MONTREAL	22	22	26	Clear
NEW YORK	22	22	26	Cloudy
OSLO	14	27	27	Cloudy
PARIS	22	22	26	Clear
RIO DE JANEIRO	16	31	32	Clear
SAO PAULO	15	29	30	Clear
STOCKHOLM	12	24	28	Cloudy
TOKYO	27	31	33	Clear
TURKUN	22	22	26	Cloudy
VIENNA	21	28	28	Cloudy
ZURICH	18	24	31	Clear

For the latest weather conditions, contact Swissair.

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THE WEATHER

Forecast: Warmer, with lower humidity in central region.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	47	16-30	32
Golan	39	17-31	33
Nahariya	59	19-31	32
Safed	33	19-30	31
Haifa Port	60	24-29	30
Tiberias	64	21-37	39
Nazareth	42	19-31	33
Afula	35	20-33	34
Sharon	51	20-31	33
Tel Aviv	66	21-31	31
B-G Airport	53	21-32	34
Jericho	27	22-39	40
Gaza	47	22-39	37
Beersheva	33	18-35	37
Eilat	18	26-39	41

SOCIAL & PERSONAL

A new WIZO club was opened in Shula on the Lebanese border yesterday, named for Shula Braudo, former chairman of Israel WIZO and now chairman of the organization's national council. In another settlement near the Lebanese border, Shamra, the WIZO clubhouse was renamed yesterday in memory of Dr. Regina Zimmerman, former head of Israel WIZO's organization department.

UK's hottest month comes to stormy end

LONDON. — The hottest month in Britain in three centuries ended yesterday in rain, thunder and lightning. Thunderstorms swept across southern England before moving north on the last day of July, in which there were 16 days with temperatures over 27° centigrade. Weathermen said the average temperature during July was higher than during any month since official records began at the beginning of the century. Temperatures in England and Wales this month averaged 22°C, half a degree higher than the previous record of July 1976, the London Weather Centre reported. July also marked the longest spell of high temperatures in England and Wales on record.

ISRAEL AGREES

(Continued from Page One)

the IDF redeployment to the Awali River line constitutes the first stage in a comprehensive withdrawal. At the cabinet session, Energy Minister Yitzhak Moda'i complained that Shamir and Arens had exceeded their authority by agreeing that Israel help shape an arrangement in the Shouf Mountains between the warring communities. This agreement would leave Israel open to blame for what happened there after the IDF withdrew. Moda'i also charged that the two should not have agreed to the Lebanese government handling civilian affairs south of the Awali line.

When one of the ministers asked why Lebanese President Amin Jemayel had not yet ratified the agreement with Israel, Shamir replied that presumably Jemayel wanted to use this as a bargaining card in contacts with Syria.

An authoritative cabinet source told reporters later that "the U.S. is beginning to understand that the only thing which can get the Syrians out is a wide range of pressures and coercion."

Meshel will not seek reelection in '85

Jerusalem Post Reporter

TEL AVIV. — Histadrut Secretary General Yehoram Meshel does not plan to seek an additional term of office and will step down when his present term ends in 1985, Histadrut spokesman Shmuel Soler said yesterday. Reacting to a report in yesterday's *Ha'aretz*, Soler said Meshel would "absolutely not" run again for the labour federation's top job, which he has held since 1973.

"Meshel will finish in 1985, and Deputy Secretary Israel Kassar will be the next secretary," Soler told *The Jerusalem Post*.

Kassar is deputy secretary-general and, like Meshel, represents the Labour Party.

AIRPORT. — The main runway at Ben-Gurion Airport was reopened yesterday, after having been closed for three and a half months for repairs.

HOME AND WORLD NEWS

Syrians patrol village in Bekaa to keep peace

JDITA. — Syrian troops and local armed leftist militias patrolled this village in Lebanon's Bekaa Valley yesterday after a ceasefire ended a week of fighting between rival Palestinian terrorist factions. Locals said at least five people died and 25 were wounded, including Lebanese civilians, during the clashes that were fought with rocket-propelled grenades, machine guns and rifles.

The Syrians and leftists moved in after fighting stopped on Saturday between supporters and opponents of Palestine Liberation Organization chief Yasser Arafat.

Arafat loyalists, who had been based in the village for years, remained but did not carry their arms openly, while their opponents, followers of Fatah rebel Col. Abu Musa, withdrew.

The loyalists blamed the rebels for starting the fighting, but a rebel officer said his men had only been defending themselves.

He said the dissidents would abide by the cease-fire because "the bloodshed must be stopped in order to face the Israeli enemy."

In Damascus, in its harshest verbal attack yet on Arafat, Syria yesterday accused him of being a liar and blackmailer.

A government spokesman quoted by the official news agency SANA said: "Any lies and falsehoods that emanate from an insignificant man like Yasser Arafat cannot harm Syria."

SANA said the spokesman was replying to Arafat's urgent appeal Saturday to Arab leaders to prevent killings of Palestinians in the Syrian-held Bekaa Valley.

A high-ranking Saudi Arabian envoy arrived in Damascus yesterday to deliver a message from King Fahd to Assad.

Saudi Arabia has been trying to mediate between Syria and Arafat. Meanwhile, King Hussein of Jordan arrived yesterday in the Saudi summer resort city of Taif for talks with Fahd at the start of a swing which will later take him to Iraq and some other Gulf countries.

In Tripoli, there was a clash involving heavy weapons between Palestinians and a Lebanese armed group yesterday, but it was widely seen as an isolated incident. Tripoli is Arafat's major stronghold in Lebanon. (Reuters, PAF)

Syria vows to stay put

DAMASCUS (AP). — Syrian President Hafez Assad has vowed to keep 50,000 Syrian soldiers in Lebanon until Israel's army pulls out, and work to foil a U.S.-sponsored agreement for the withdrawal of all non-Lebanese forces, the official Syrian News Agency said yesterday.

The remarks came in an advance text released by SANA last night of an open letter from Assad to his army on the occasion of Armed Forces Day today.

In the letter, Assad said "Syria will foil all surrenderist schemes, particularly the contract of submission," a term the Syrians have come to use routinely when referring to the Lebanese-Israeli agreement calling for the withdrawal of Syrian,

Israeli and Palestinian forces from Lebanon.

The Syrians have objected to the accord saying it gave Israel advantages in Lebanon that threaten Syria's security and infringe on Lebanon's sovereignty.

"As long as this (Israeli) invasion (of Lebanon) continues, our armed forces will stay in Lebanon confronting the enemy," the news agency quoted the Syrian president as saying.

"The United States and Israel have used all means of pressure and terrorism against Syria without any result... Syria can answer any aggression with severe and harmful blows to the enemy," Assad said. He said his army is now capable of taking on Israel.

Jerusalem police yesterday requested the local Magistrates Court to issue an order requiring MKs Menahem Porush and Shlomo Lorincz to pay, together or separately, IS200,000 to the state. This is the amount of the bond they promised to sign for the release of two ultra-Orthodox zealots arrested some three weeks ago in the Kikar Shabbat disturbances.

The two did not meet the terms of their release and did not appear for their trial as required.

The police had already demanded that the court order the two MKs to post IS100,000 for each of the fugitives at the hearing at which the conditions for the release of the zealots were set, as they committed themselves to do so on the previous Friday evening.

In their request to the court, the police explained that the zealots were released just a few minutes before the beginning of the Sabbath on Friday evening, on the basis of a verbal promise by the two MKs to sign a bond for their release when the Sabbath was over.

On Saturday night, however, suspect Yeshayahu Cohen did not show up at the police as promised, and the MKs did not sign a bond for him. On the following day, the suspect Alexander Fixler escaped in the course of the legal proceedings and has not yet been caught.

The police say that the possibility for the release of the two suspects was created by the MKs promise to post bond. Since the two suspects did not meet the terms of their release, the two MKs have to pay the bond for them of IS200,000.

A date has not yet been set for a hearing on the request. (Itim)

Israel places 5th in men's meet in Scotland

EDINBURGH (Reuters). — Israel yesterday finished fifth in the two-day, six-nation men's athletics international at Meadowbank. Scotland placed first, followed by Wales.

The outcome of the match hinged on the final event, the 4 x 400 metres relay, in which Scotland finished second behind Iceland, while the Welsh trailed in fifth.

In Israel, Goldwasser set a new

points

1. Scotland 91

2. Wales 89

3. Iceland 74

4. Northern Ireland 70

5. Israel 63

6. Luxembourg 44

'Austria sheltered Moslem extremists'

CAIRO (AP). — Austria served as a base for the leaders of a Moslem extremist organization which was recently cracked by security forces here, a Cairo newspaper says today.

In an exclusive report, the weekly *Mawa* says the organization's leaders were "concentrated in Austria, under the leadership of a Palestinian."

Over the past three weeks, various sources have indicated that security forces have busted an extremist underground organization known as the "Islamic Liberation

Party," which is dedicated to overthrowing the government.

Last week *Mawa* said that 50-60 members of the organization had been arrested, adding that certain unidentified foreigners had helped it smuggle funds and leaflets into Egypt.

Radical Moslem groups have been viewed as a threat to the government here ever since the late president Anwar Sadat was murdered by religious fanatics in October 1981.

Rocky, the bandit dog, regains his freedom

SEATTLE (Reuters). — Rocky, a dog sentenced to death for his role in a robbery, has been reprieved and told to get out of town.

The bull terrier was to be destroyed after police alleged that in one robbery he obeyed the orders of an 18-year-old restaurant dishwasher to attack a man, biting him in the face, arms and legs, after he refused to hand over his money.

But Rocky left an animal shelter, where he was to die, a free dog Saturday after being claimed by his real owner. The shelter let him go on condition he was neutered and never returned to Seattle.

Danish minister here to study volunteering

Danish Minister of Social Affairs Palle Simonson arrived yesterday for a week's visit as a guest of the Foreign Ministry and the Ministry of Labour and Social Affairs.

His visit is to be devoted mainly to 'studying' volunteering movements in Israel, from which, he says, "Denmark has a lot to learn." (Itim)

British Jews greet Avner

LONDON (JTA). — The Board of Deputies of British Jews yesterday morning gave a warm welcome to Yehuda Avner, who later this week will present his letters of accreditation to the queen as the new Israeli ambassador.

BAR MITZVA. — A bar mitzva ceremony for 104 orphans who lost their parents in Israel's wars or in terrorist attacks will be held tonight at Kfar Hubad.

Shouf Druse leader barred from meeting David Levy

By JOSHUA BRILLIANT

Post Defence Reporter

TEL AVIV. — The unit coordinating Israel's activities in Lebanon cancelled a meeting between Deputy Prime Minister David Levy and a senior Lebanese Druse notable who had come here for that purpose. The Druse was flown back to Lebanon, well placed sources told *The Jerusalem Post* last night.

Several Druse notables have been trying to establish contact with senior Israeli officials but were being rebuffed because they could not prove they could speak for leftist Druse leader Walid Jumblatt and could not pay the price Israel wanted for cooperation.

One of the Druse involved in the contacts was Dr. Ataf Salum who had been to Israel several times and met with many senior officials. According to one report — which was not confirmed — he was the man involved in yesterday's incident.

The notable was flown to Israel on an Air Force plane for the meeting with Deputy Prime Minister Levy which had been scheduled for yesterday.

A government source who spoke to *The Jerusalem Post* on condition he not be identified said "The Druse were interested in the meeting. Someone in the IDF was also interested in it. Everything was ready and suddenly it was cancelled. Someone in the Defence Ministry was not interested in it and torpedoed the meeting."

The source would not comment on TV's report that the meeting was cancelled by Reuven Merhav, assistant to the coordinator of Israel activities in Lebanon.

Interior Minister Yosef Burg dismissed the proposal out of hand, saying it is inconceivable that a National Religious Party minister decline to attend a convention of the affiliated Mizrahi movement, or that a Tami minister be stopped from conferring with party supporters in Switzerland, for instance.

Communications Minister Mordechai Zipori said that since opposition speakers continually go abroad to blacken the government's name, the government has to send ministers abroad as often as possible to state the truth.

When Ya'acov Meridor, the Minister of Economic Coordination, asked why ministers' wives accompanied their husbands on trips, Burg said the wives' expenses were not borne by the Treasury, but he added jokingly that it might be best if ministers took their secretaries and not their wives.

Herzog urges tolerance

"No one has a monopoly on God," President Chaim Herzog last night told the closing session of the annual convention of the Emdunah religious women's organization of the U.S. Emdunah's work is particularly important in view of the profound differences between the religious and non-religious, and within the religious camp itself, the president said.

Speaking to the convention at the Laromne Hotel in Jerusalem, Herzog called on the delegates to work for greater tolerance and mutual respect. (Itim)

U.S. general meets Lebanese president

BEIRUT (Reuters). — Lebanese President Amin Jemayel last night met Gen. John Vessey Jr., chief of the joint chiefs of staff, state-run Beirut Radio reported.

The radio gave no details of their talks.

The U.S. has been training and equipping the Lebanese Army, which is trying to re-establish government authority in the Beirut area after years of civil strife.

No firm indications are available as to the nature of Vessey's visit, but non-American diplomats said he would probably discuss the question of the fighting in the Shouf Mountains between Christian and Druse militias.

BLOOD PRESSURE

Twenty-four persons yesterday learned that they have high blood pressure, in a mass examination conducted by the Histadrut's Kupat Holim Clalit at the Holon sport centre.

Frankfurt again refuses neo-Nazis

BONN (JTA). — The city of Frankfurt has reiterated that it stands by its refusal to hire public halls and clubs to the neo-Nazi National Democratic Party (NPD), thus defying two interim orders of courts given in July and going ahead with the legal battle before higher courts.

The NPD has successfully argued that since it is a legal organization operating openly the city is obliged to make available for it public halls for conventions and other activities. But the Frankfurt authorities have repeatedly argued that they are guided by the fact that the NPD is classified by the Federal Internal Security Service as an extreme right-wing group.

With deep sorrow I announce the passing

of my beloved husband

Professor LEO WISLICKI

The funeral took place yesterday, July 31, 1983.

Dr. Luise Wislicki

in the name of family and friends

Shiva at 29 Metudela St., Jerusalem.

Emunah — Jerusalem extends deepest sympathy to

Dr. Luise Wislicki

on the passing of her dear husband

Prof. LEO WISLICKI ז"ל

המנוח ינוח אהבה בנחם שם אבלי ציון וירושלים

Profoundly touched by the sympathy shown on the death of our beloved

LEON MAIERSDORF

and unable to thank personally all those who came to the funeral or expressed their condolences, we hereby extend our sincerest gratitude to them.

Yvonne Maiersdorf

Kahané, de Becker, Arazi

and Goldmuntz Families



A soldier stands guard in the Ramallah military court yesterday over Birzeit students detained last Wednesday after clashing with Israel Defence Forces soldiers in the wake of the attack by unknown gunmen on the Hebron Islamic college, in which three students were killed. (Yitzhak Elharari)

Phalange said ready to pull out from Shouf

BEIRUT (AP). — Fadi Frem, commander of Lebanon's Phalange-dominated "Lebanese Forces" Christian militia, said in an interview published yesterday that he was ready to eliminate the Phalange military presence in the central mountains once the Lebanese army deploys in these troubled areas.

In an interview with the English-language Beirut weekly, *Monday Morning*, Frem said the Christian militias, who have been locked in a bitter sectarian feud with Druse warriors since last November, are willing to "grant any facilities for the deployment of the Lebanese army" in the troubled Israeli-occupied Aley and Shouf Mountain regions.

He said he was willing to "end military appearances and (close down) barracks in certain areas if need be. Our ultimate objective is to arrive at a better understanding with the Druse community and end this conflict."

Cabinet won't scrutinize ministers' trips

Jerusalem Post Reporter

Minister without Portfolio Mordechai Ben-Porat found himself in a minority of one at yesterday's cabinet session, when he proposed that ministers' requests to go abroad be scrutinized and not approved automatically.

Ben-Porat said that ministers' trips take valuable time as well as cost money and that in some cases their purpose could be achieved in a more economical and effective manner.

The cabinet yesterday approved three ministers' trips without demur.

Ben-Porat said that if each request was studied on its merits the cabinet might suggest that the local embassy deal with the subject of the proposed mission instead, or that a civil servant be dispatched from Israel, or that the matter might be settled by a letter or a phone call.

When Ya'acov Meridor, the Minister of Economic Coordination, asked why ministers' wives accompanied their husbands on trips, Burg said the wives' expenses were not borne by the Treasury, but he added jokingly that it might be best if ministers took their secretaries and not their wives.

MCFARLANE

(Continued from Page One)

out earlier this year between Israel and Lebanon. It will not even contemplate discussing the withdrawal of its own forces from Lebanon until that agreement is abrogated, it says.

Washington has just as vigorously insisted that it fully supports the Israel-Lebanon pact, and is not prepared to see it scrapped to accommodate the Syrians.

These public positions would appear to provide McFarlane with very little room for maneuver when he gets to Damascus.

Just what room remains to maneuver behind the scenes remains to be seen. But one thing is certain. There is nothing to be achieved if Washington is, in fact, simply sending a new messenger to Damascus bearing the same old message.

Frankfurt again refuses neo-Nazis

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The NPD has successfully argued that since it is a legal organization operating openly the city is obliged to make available for it public halls for conventions and other activities. But the Frankfurt authorities have repeatedly argued that they are guided by the fact that the NPD is classified by the Federal Internal Security Service as an extreme right-wing group.

Electronic probes aid the archeologists

By ABRAHAM RABINOVICH

Jerusalem Post Reporter

ARMING archeologists with electronic devices to probe the ground would seem to take the sporting element out of the exercise — like providing bullfighters with RPOs.

But Israeli archeologists, like their colleagues abroad, have been quick to place science above sport when offered the opportunity of abetting their instincts with electronics.

Some of the most sophisticated equipment in the world for taking soundings through the ground and thick walls was recently employed on several of the most notable digs in the country by an American group that developed its expertise in defence work for the U.S. government.

The group, headed by physicist Lambert Dolphin, is part of SRI International of Menlo Park, California, which Dolphin describes as a military-oriented research foundation. They brought with them equipment that included ground-penetrating radar and electrodes employed in a "high-resolution automatic resistivity" method said to be capable of drawing an underground contour map.

Similar equipment has been used in South Korea for probing for tunnels which the North Koreans across the demilitarized zone use as routes for spies and potential invasions.

THE TARGETS aimed at by Dolphin's for the most part were likewise holes in the ground, but ones that harboured the remains of the dead. At Herodian, they assisted archeologist Ehud Netzer who, for the past decade, has been searching for the tomb of King Herod, principally at the foot of the largely artificial mountain. They found some indications of cavities in the area where Netzer has lately been focusing but also found an apparent cavity in the main tower inside the palace-fortress. It had been assumed that the tower was solidly filled.

Netzer said last week that he is waiting for the final report from the SRI team, which has returned to California, before deciding whether the information will be of use. He noted that even if a cavity does exist, it could simply be an unfilled space, and not a tomb.

The SRI team also took

Frem denounced Druse leader Walid Jumblatt as "totally anti-Lebanese" and said he was willing to initiate discussions with "any other Druse" on the mountain conflict, which he insisted was "political" and "not confessional."

He said Syria "wants to keep part of Lebanon" and that is why it supports the Lebanese "National Salvation Front," which Jumblatt launched July 23 to challenge President Amin Jemayel's pro-American government.

Frem said his current dispute with Israel over the Israeli army's order last week to close down a Christian militia barracks in Kfar Falous, near Sidon in Southern Lebanon, "will not alter the course of the relationship" between his forces and the Israelis.

Israel is implementing in South Lebanon "a policy solely derived from its interests," said Frem

Cabinet may debate 2nd TV channel

By JUDY SIEGEL

Jerusalem Post Reporter
Education and Culture Minister Zevulun Hammer is "likely, but not certain" to bring to the cabinet next Sunday a proposal to establish a second TV channel independent of the Israel Broadcasting Authority and financed by commercial advertising, according to cabinet secretary Dan Meridor.

The proposal, which has popular support, has been discussed by the Education Ministry and the Communications Ministry ever since the publication of the Kuberky Committee report in 1979.

The committee, headed by Interior Ministry director-general Haim Kuberky, recommended the

establishment of a second TV channel run by a public body, along the lines of the BBC, to be financed by advertising.

Ben-Zion Dell, Hammer's assistant on broadcasting matters, told *The Jerusalem Post* yesterday that there had been "no developments" in the last few days regarding a second channel. A Communications Ministry spokesman said the same thing.

The Broadcasting Authority did not comment yesterday on the proposed new channel. However, in the past, authority Director-General Yosef Lapid has said that he would like the channel to be run by the authority itself.

Alternatively, Lapid has argued, in order to prevent unfair competi-

tion, the new channel must be required to broadcast public-service announcements, religious and regular news and educational programmes that Israel TV must also screen.

Newspaper editors and journalists in the last few days have again come out against instituting a second channel financed by commercials, for fear that newspaper advertising revenues would drop severely and force some papers to close. They say that a commercial channel would lower the level of broadcasts and encourage greater consumption.

The Kuberky report suggested that to offset advertising revenue losses, the newspapers buy into the new channel and share the wealth.

Basic goods prices rise 5%

Post Economic Reporter

As of midnight last night, the prices of basic commodities and fuel were increased by an average of 5 per cent. The last increase was imposed on July 5.

The Treasury's statement on the price increases said that this step was taken in the framework of the policy it announced last October.

Economic observers pointed out that the 5 per cent monthly hikes in the prices of fuel and basic commodities is practically all that is left of that policy.

In the last few months the Treasury and the Bank of Israel have accelerated the rate of devaluation (7.1 per cent against the dollar in July) and the interest rate has gone up. Consequently, wage-earners will receive a relatively high cost-of-living increase in their July pay.

All three of these developments go counter to the Treasury's policy, as originally presented.

Some examples of the price changes are:

	New price	Old price
regular bread	6.00	5.70
white bread	7.70	7.30
cooking oil, 630cc. (glass bottle)	23.10	22.00
cooking oil, 1000cc. (plastic bottle)	39.00	37.00
margarine (200gr.)	11.40	10.80
milk (1 litre)	15.00	14.20
cottage cheese	17.65	16.80
white cheese — 9% fat	18.30	17.40
leben	5.90	5.60
eschel	6.00	5.70
frozen chicken (No. 1)	107.00	102.00
frozen chicken (Nos. 2 and 3)	104.00	99.00
eggs (no. 1)	3.75	3.55
eggs (no. 2)	3.70	3.50
eggs (no. 3)	3.45	3.30
Petrol 91 octane	29.30	28.00
Petrol 94	32.60	30.90
Heating fuel (solar)	23.30	22.20
Domestic gas (12kg. cylinder)	441.00	420.00



The Haifa Youth Symphony Orchestra, conducted by Eliezer Hahit, last week plays a free concert in Haifa's Gan Ha'em. Such open-air concerts are given each Wednesday by this and other orchestras.

(Yossi Hermoni, IPPA)

MK wants jingle off the air 'because it boosts Lahat'

By MICHAEL YUDELMAN

Jerusalem Post Reporter
TEL AVIV. — While Tourism Minister Avraham Shafir is trying to get the municipal service broadcasts back on the television screen, MK Mordechai Virshubski (Shinui) is demanding that Israel Radio stop broadcasting the "I like Tel Aviv" jingle, maintaining that it is election propaganda.

But Shafir insists that broadcasting the jingle will help entice visitors to Tel Aviv at a time when Israelis go abroad and reportedly drain the country of its foreign currency.

Broadcasting Authority Director-General Yosef Lapid last week ordered the municipal broadcasts off the air on the advice of Attorney-General Yitzhak Zamir.

Zamir said it was undesirable to broadcast programmes which may be interpreted as election propaganda.

Alignment members in the Broadcasting Authority's management committee joined Virshubski in charging that the jingle is election propaganda for Mayor Shlomo Lahat under the guise of promoting tourism.

But Israel Radio continued broadcasting the jingle, which says: "I like Tel Aviv, a lively bustling city, there's everything here for residents and visitors, young and old."

"The reference to residents is direct proof that it's election propaganda," Virshubski said yesterday. "The Tourism Ministry is boosting Lahat's election campaign," he said.

Murdered nurse may have been pregnant

TEL AVIV. (Itim). — A special police team investigating the murder of Carmela Blass, a Tel Aviv nurse whose badly burned body was found last week near Birzeit in Samaria, is checking into the possibility that she was pregnant.

The police have refused to release details of the investigation, but it has been learned that the investigating team is awaiting the return to the country of a Tel Aviv lawyer, 37, who was Blass's boy friend.

Herzog, staff on holiday

Jerusalem Post Reporter

President Chaim Herzog and Beit Hanassi staffers go on vacation for several weeks, starting today.

Herzog and his family are to spend the first week of their holiday at a local vacation spot and then rest in their Herzliya Pituh home.

The president is to return to Jerusalem several times during the month to take part in official events.

The Herzogs' third-floor residence at Beit Hanassi is expected to be ready for occupancy in September, following three months' of renovations by the Public Works Committee. Since his inauguration, the Herzogs have lived in a hotel and in a private home in Jerusalem.

Beduin girl arrested for posing as soldier

DIMONA. (Itim). — A Beduin girl who left her home in the Abu Rabiya tribe in the Negev two years ago was arrested yesterday on suspicion of posing as a soldier.

A passing police patrol stopped her on a Dimona street and the officers quickly discovered that the "soldier girl" they were speaking to was a Beduin. Beduin girls do not serve in the Israel Defence Forces.

The girl told the police that she left her home two years ago and since then has been travelling around the country. Two weeks ago she began to dress as a soldier, and as such, she entered army camps, ate in army dining rooms and was able to hitch rides like other soldiers.

She is being held for further investigation. Police arrested another Beduin girl for a similar series of impersonations last month.

Artists in tiff over rug-making methods

Jerusalem Post Reporter

HAIFA. — A dispute over methods of weaving artistic wallrugs has unravelled in the local chapter of the Painters and Sculptors Association.

Three of its members — Ahuva Sherman, Itzik Weinberg (a member of the Association's committee) and Moshe Novak — called a press conference yesterday to protest against the association's threat to expel them for exhibiting their woven rugs at the arts and crafts show held every Saturday night under City Hall auspices in Rehov Panorama.

The association informed the press, but not the artists, that their rugs, unlike tapestries, were not "original creations," having been produced by an "industrial process."

The artists strongly denied the allegation and said that the only "industrial" tool they used was a gun to eliminate the laborious manual insertion of the tufts.

They stressed there was no connection between tapestries and wall rugs and that their "wool-gun" technique is a more modern and sophisticated way to make original creations based on their own designs. "In the space age, there is no need for doing the laborious job by hand," they stressed.

armed forces said yesterday that his government had foiled an attempt to destabilize the nation and upset law and order, according to Panama Radio.

In a broadcast speech monitored by the British Broadcasting Corporation, National Guard Commander Brig-Gen. Ruben Dario Paredes gave no details — but said the plot was hatched by political parties seeking power.

Paredes made the speech at a National Guard ceremony, broadcast live by Panama Radio: "I call on the people of my fatherland... do not be surprised by the plot which we have just averted."

One of Panama's most powerful figures after President Aristides Royo's forced resignation last year, Paredes said the plot had been foiled just hours before his speech. (Reuter, AP)



Lugging a large suitcase and followed by his wife carrying a child, one of the religious zealots suspected of involvement in the recent demonstrations in Jerusalem arrives Saturday night at a hotel in Bnei Brak, after being banished by court order from the capital. (Rahamim Israeli)

Peres, Rabin hedge on plan to heal rift

By JOSHUA BRILLIANT

Jerusalem Post Reporter

TEL AVIV. — A scheme to put an end to the friction between Labour Party chairman Shimon Peres and his arch-rival, former prime minister Yitzhak Rabin, got a guarded response from each of them yesterday.

The scheme, proposed by senior party member Gad Ya'acobi to each of them, calls for the party to hold a convention at the end of 1983 to choose its candidate for premier and its Knesset slate. If the proposal is accepted, Peres might have to

step down earlier than if the party chose its leaders before the Knesset elections scheduled for the autumn of 1985.

But Ya'acobi maintains this scheme is not a ploy to unseat Peres. He said his relations with Rabin are "good," but with Peres "even closer."

Reached at his home last night, Peres said he did not want to comment on the letter. Rabin, however, expressed satisfaction that a senior Labour Party member had "legitimized" his pressure for a contest for the party's top post. Calling Ya'acobi's suggestion "positive and

constructive," Rabin, nevertheless, wanted first to discuss details with colleagues.

In his letter, Ya'acobi said the Peres-Rabin fighting is "a traumatic experience for part of the public." He argued that while many people are convinced that the Likud government is leading Israel to disaster, they also believe that the Alignment is not an alternative because of the destructive rivalry at the top.

Ya'acobi said his proposal is widely supported by key members of the party, but he did not name them.

Convict yields hashish haul after a long hard wait

Jerusalem Post Reporter

RAMLE. — A prison guard and a policeman waited 72 hours — until yesterday morning — for a prisoner to defecate. When he finally did, the result included eight "fingers" (about 24 grams) of hashish.

Ramle Prison convict Shimon Vaknin, 28, of Haifa, had secreted the drug on his body on a 48-hour visit home.

Officers suspected that Vaknin, an inmate of the centre for drug rehabilitation, would try to smuggle drugs when he returned to prison. Police met Vaknin on his return

and asked him to undergo an X-ray and enema, but the prisoner refused, showing signs of nervousness, police sources said.

Central unit commander Rav-Pakad Avi Dotan instructed a policeman and warden to stick close to Vaknin until he defecated, which he did only three days later, discharging the hashish.

Vaknin was transferred to another prison department, away from the inmates of the drug rehabilitation centre, who presumably were to receive the hashish from him.

Bathers beware! Car thieves at work!

Jerusalem Post Reporter

REHOVOT. — A spate of thefts from cars parked on the beach is keeping police in the coastal plain on their toes. The number of complaints by bathers whose cars were either broken into or stolen has been growing steadily since summer began, police spokesman Johnny Tester confirmed yesterday.

Police teams patrolling the Rishon LeZion and Palmahim beaches on Saturdays for the past weeks had their first stroke of luck Saturday morning when they arrested a man and woman for allegedly breaking into a car in the Rishon beach's parking lot.

Police spotted the suspects' car suspiciously cruising the parking lot, then saw the two get out of their car and try to pry open the doors of several parked cars. Their own car turned out to be stolen, too, police said.

4 victims of nightclub blast still in hospital

ASHDOD. (Itim). — Four of the 14 people injured when a grenade was hurled at the Riviera nightclub in Ashdod late Saturday night were still in Kaplan Hospital in Rehovot and in Ashkelon's Barzilai Hospital last night. They are reported to be out of danger.

Police questioned eight people right after the blast and some of them are to be brought to court today for a remand hearing.

The police investigation is centring on a dispute between the owners of the club and the owners of the club's premises. The landlords have refused to renew the club's lease and apparently want to operate the discotheque themselves.

THE WAY WE WERE

Recall the Jerusalem of the 1940s and '50s, with In and Around Jerusalem, a book of drawings and articles by the late Gabriella Rosenthal.

The collection of Rosenthal's work shows a blend of sharp wit and human compassion, depicting the many ethnic groups and types that made up Jerusalem's population at the time. The artist's cartoon series "Palestine People," partly presented here, appeared in *The Palestine Post* (now *The Jerusalem Post*), to great acclaim. Most of the other material in this book appears in print for the first time.

Price: IS 765

In and Around Jerusalem is published in soft cover by Tebo Press. It is available from offices of *The Jerusalem Post* in Jerusalem, Tel Aviv and Haifa, and by mail. To order, fill out the coupon below and mail it, with your payment, to Books, The Jerusalem Post, P.O. Box 81, Jerusalem 91000.



To: Books, The Jerusalem Post, P.O. Box 81, Jerusalem 91000
Please send me In and Around Jerusalem, by Gabriella Rosenthal. My cheque for IS 765 is enclosed, payable to The Jerusalem Post.

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Price is subject to change. The price noted above will be honoured until August 31, 1983.

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Garmiel Local
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Arim Municipal
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Ministry of Construction
and Housing
Galilee Region

Plots Still Available for Owner-Occupier Construction remaining from the Build Your House Scheme Carmiel (Stage Dalet)

Thirteen single-family plots for 13 housing units, and 15 two-family plots for 30 housing units, unallocated under the above scheme, are now offered. These plots are offered to the public at prices updated in respect of the value of the land and development work. Other conditions are as given in the original prospectus, subject to the terms of this present notice.

Registration will open at 9 a.m. on Tuesday, August 2, at the offices of the Arim Co., Upper Nazareth, and will close on Tuesday, August 16, 1983 at 12 noon. (The draw will be held at 5 p.m. on August 16, 1983.)

When registering, you will be required to deposit IS 25,000 (banker's cheque made out to Arim Municipal Development Co. Ltd.) which will be put towards the development costs.

Additional details from the Arim Co., 16/100 Rehov Atmon, Upper Nazareth.

The Reagan Doctrine

Despite Nicaragua Vote, Foes Seem Divided and Conquered

By PHILIP TAUBMAN

THE Democrats can't get their act together," Senator Paul E. Tsongas complained last week in frustration over the difficulty of mobilizing a party opposition to President Reagan's Central America policies. The Massachusetts Senator needs to have limited his remarks to Democrats. The entire Congress was having trouble dealing with Mr. Reagan's plans to escalate the American military presence and not-so-covert operations in Central America.

The House, after long and impassioned debate, voted 228 to 195 to cut off American secret aid to rebels in Nicaragua. The vote was an unmistakable expression of opposition to one aspect of Mr. Reagan's policy, namely the financing and arming of 10,000 insurgents in Nicaragua. But the practical effect of the vote was uncertain. Senior Administration officials, confident that the Republican-controlled Senate will not approve the cutoff, dismissed the House action as partisan politics and insisted it would not affect plans to continue and increase support for the insurgents. Since the House bill covers only funding in the current fiscal year, which ends in two months, the House itself will have to repeat the entire process this fall if it hopes to make the cutoff stick in the next fiscal year.

Mr. Reagan thus held the controlling hand over American policy. Unless his opponents can somehow galvanize their forces, Congress may modify aspects of the Reagan approach but cannot take decisive action to change it. The vote reflected the many difficulties Congress faces as it tries to influence foreign policy in general and Central American strategy in particular. Congress, as a deliberative body, has always had trouble keeping pace with the President in foreign affairs. He can shift policy, conduct military maneuvers and run secret intelligence operations for months or years before the machinery of Congress can crank up sufficient momentum and consensus to act as a counterweight. The more Mr. Reagan moves policy into the arena of military action, the harder it becomes for Congress to control.

The budget process, where Congressional power is strongest, moves with glacial speed. Even when Congress has completed action on the foreign aid or defense budget, setting overall spending limits and approving precise amounts for specific programs, executive agencies can manipulate the money by financing operations out of contingency funds or diverting resources from one account to another. The only Congressional approval required for such preauthorization is the consent of the relevant subcommittee of the House Appropriations Committee.

Because of the frustration of trying and failing to revise the course of American policy in Vietnam, Congress passed the War Powers Act in 1973. It requires the President to notify Congress when he sends American forces into areas of potential hostility and stipulates that the troops be withdrawn if Congress does not take action, such as a formal declaration of war, to endorse the President's decision. But the added right to pass legislation requiring such withdrawal has probably been invalidated by the Supreme Court's recent ban on Congressional vetoes, according to legal experts. In any case, the act leaves to the President the crucial judgment whether American forces are entering a place where hostilities are possible—a loophole that appears particularly relevant to the extensive military exercises that Mr. Reagan has scheduled in Central America and the Caribbean.

In the case of Central America, Washington's institutional frictions are compounded by more immediate considerations. The key factor is that Congress is simply divided about what to do in the region. There are strong currents of opposition to the President's policy, especially to the extensive use of "covert" force in Nicaragua and plans to increase the American military presence in the area with large air, sea and land exercises, preparations for a possible partial blockade of Nicaragua, construction of an American military base in Honduras and expanded security assistance to friendly governments. Democratic

confusion and division were illustrated by the presence of such people as Robert S. Strauss, the former party chairman, on the President's commission on Central America while Speaker Thomas P. O'Neill Jr. was calling Mr. Reagan's military initiatives "awful, absolutely awful."

Many members of Congress, Democrats and Republicans, argue that Mr. Reagan has placed too little emphasis on diplomatic initiatives or long-range planning for the region. They say the appointment in April of Richard B. Stine as special envoy for Central America was a positive step but one that should have been made long ago. They contend that the military actions and undercover operations recently endorsed by Mr. Reagan have narrowed the options and could make it impossible for Mr. Reagan to accept recommendations for policy changes from the bipartisan commission headed by former Secretary of State Henry A. Kissinger.

Yet there is equally strong support for Mr. Reagan's argument that vital United States interests are threatened by Soviet and Cuban interference in the region and that any hope for the long-term growth of democratic institutions and economic development depends on the maintenance of an American security shield.

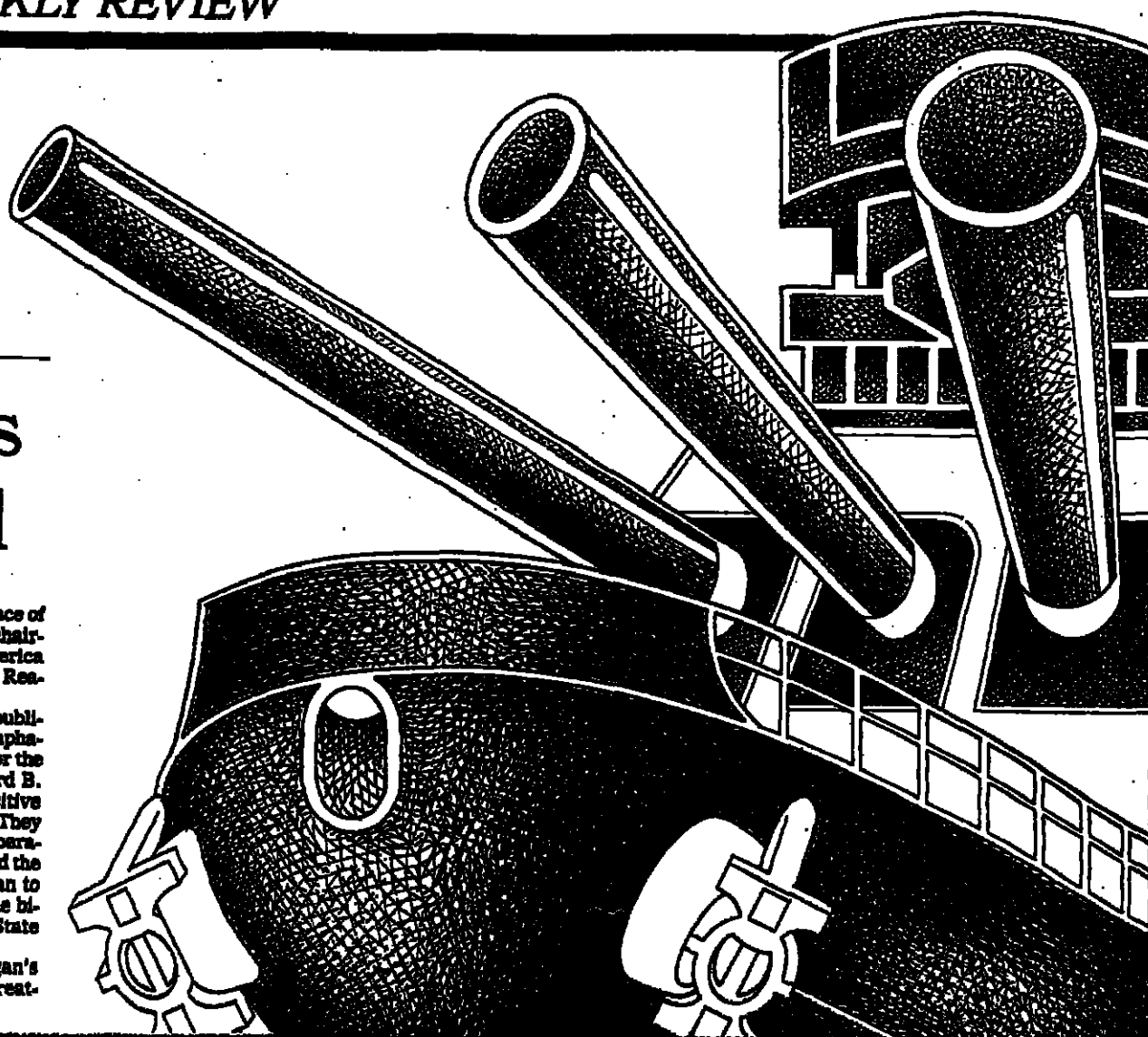
Mr. Reagan has cited the Soviet and Cuban threat frequently and has used it skillfully with Congress. In a televised news conference last week, he reminded listeners that he is convinced the Soviet Union and Cuba are the real source of violence and unrest in Central America. In his speech to a joint session of Congress in April, Mr. Reagan pointedly cast the debate over Central America in terms that gave many politicians pause before opposing him. "I do not believe," Mr. Reagan said, "that a majority of the Congress or the country is prepared to stand by passively while the people of Central America are delivered to totalitarianism and we ourselves are left vulnerable to new dangers."

Senate minority leader Robert C. Byrd recently said it was "politically callous to frame the turmoil in Central America in terms of 'who might lose this or who might lose that.'" But Mr. Byrd and his Democratic colleagues in the Senate and House have, as Mr. Tsongas suggested, been less than organized or effective in their opposition. One reason, of course, is that the Senate is controlled by Republicans. For example, under the leadership of Senator Barry M. Goldwater, Republican of Arizona, the Senate Intelligence Committee has not mounted a serious challenge to the operations in Nicaragua.

But even in the House, where the Democrats hold a 100-vote advantage and control the legislative machinery, they have failed to agree on Central America. Fifty Democrats, nearly 20 percent of the House membership, voted against cutting off aid to the Nicaraguan insurgents.

The opposition hasn't been helped by the fact that no single House or Senate member has emerged as a leader and spokesman against Mr. Reagan's policies. Senator Christopher J. Dodd, Democrat from Connecticut, has tried to take the lead, but many fellow Democrats have accused him of being too strident in his attacks on Mr. Reagan. "Until Democrats can take a united position," Mr. Tsongas said, "you can introduce resolutions and amendments but we still can't get them passed."

Despite all, Congress cannot be written off as a force in the Central America debate. In some ways, a divided



On maneuvers

Planned military operations, some with recent major naval and military maneuvers in the Caribbean and Central America region.

Name of exercise	Date	Location	Stated purpose	Participants
Big Pine 2	Aug. 1983 to Jan. 1984	Honduras; Atlantic; Pacific	Shield for democracy	Estimated 4,000 U.S. Army and Marine troops; 19 ships with several thousand crewmen
Unitas	June to Nov. 1983	Caribbean	Joint naval operations with South American nations	2,000 U.S. personnel; 12,000 personnel from seven South American countries
Universal Trek	May 31 to June 15, 1983	Caribbean (Puerto Rico, Virgin Islands)	Improve capability of U.S. forces in Caribbean region	3,000 U.S. personnel, including Navy, Air Force and ground crews
Readex	Mar. 10 to Apr. 2, 1983	Western Atlantic; Puerto Rico	Test ships and aircraft in simulated combat situation	36 ships and 300 aircraft from U.S.; one Dutch and six British ships; number of personnel not disclosed
Kindle Liberty	Feb. 11-17, 1983	Panama	Training for defense of Panama Canal	3,000 U.S. Army, Navy and Air Force personnel; 7,000 Panamanian National Guard
Big Pine 1	Feb. 1-8, 1983	Honduras	Promote hemispheric solidarity and good will	1,600 U.S. Army, Navy and Air Force personnel; 4,000 Honduran troops
Ocean Venture	Apr. 27 to May 16, 1982	Caribbean; Gulf of Mexico	Simulated combat exercise	45,000 personnel; 60 ships; more than 350 aircraft; U.S. forces; Dutch navy and marines

Source: Department of Defense

Congress can become a drag on policy if legislation, particularly budget bills, get bogged down in bickering. Supporters of the covert aid cutoff hope that if the House approves a similar bill for the 1984 fiscal year, funding can be stalled when the budget bill goes to conference between the House and Senate to resolve differences. It was

also significant that many members of Congress, including Senate majority leader Howard H. Baker Jr., were angered by the Administration's failure to notify them in advance of the plans for increased military activity in the region. It was a sure sign that as the stakes of American involvement increase, so will Congressional anxiety.

Major News

In Summary

Diplomats Forced To Run Faster in Central America

Nine nervous nations met in Panama City last week to seek a way out of the Central American imbroglio before armed conflict spread. Soviet freighters reportedly approaching Nicaragua with arms shipments, American naval units beginning to maneuver in the same waters and massing of troops on the Nicaraguan-Honduran border gave the meeting an atmosphere of urgency.

The latest effort of the so-called Contadora group—Mexico, Panama, Venezuela and Colombia—to find a peaceful solution in El Salvador and ward off fighting between Nicaragua and Honduras involved a meeting with the Foreign Ministers of the five Central American states, Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica. A major goal was an end to the involvement of outside powers.

But which nation would be the first to disengage? In a meeting with reporters in Santiago de Cuba, Prime Minister Fidel Castro declared his interest in negotiation and offered to halt arms ship-

ments and withdraw his advisers from Nicaragua—whom he put at 200 rather than the 2,000 numbered by the Administration—if the United States made a similar gesture in El Salvador and Honduras. Mr. Reagan took cautious note of the offer, saying he was willing to give Mr. Castro "the benefit of the doubt" in any negotiation. But officials stressed the need for a system of verification.

In Panama City, Nicaraguan Foreign Minister Miguel d'Escoto would not confirm the Soviet shipments—one freighter reportedly docked yesterday in a Nicaraguan port—but said he welcomed such help as long as Washington continued its pressure tactics. In the coming months, two carriers, the Coral Sea and the Ranger, with a combined strength of 140 planes, the battleship New Jersey and support vessels will engage in training exercises in waters close to Nicaragua and Honduras, and 4,000 American troops will conduct ground exercises with Honduran forces.

Mr. Reagan, annoyed at all the anxious Senate being paid to the military activity, described these maneuvers last week as aimed at "providing a shield for democracy and development." Special envoy Richard B. Stine, on his third visit to the region, held out the possibility he might still meet with Salvadoran

rebels in an effort to further peace talks with the Government. But a key element of the American peace plan, elections in December, was weakened by Salvadoran President Alvaro Magaña, who said the vote might have to be delayed until 1984 because a new constitution and electoral law had not been completed. In the meantime, Salvadoran and American officials acknowledged the rebels were getting along nicely with only a trickle of outside arms supplies.

As for American support for anti-Sandinista forces in Honduras, Mr. d'Escoto hailed last week's vote of the House of Representatives to cut off funds for covert aid as "a grave defeat" for President Reagan. Nicaragua was reported to have put at least 4,000 troops along the Honduran border to oppose a possible new invasion by what it charged was a force of 7,000 insurgents. (Europe's fears of American policy, page 3.)

MX Countdown Lurches Along

The MX missile, touted by its defenders as an essential strategic weapon and a valuable bargaining chip, held its own last week. But it still hasn't quite cleared the Capitol Hill launching pad.

Though the Senate, after two weeks of debate, voted for a \$4.6 billion plan to deploy a first cluster of 21 MX's, opponents said another tough fight this fall was a certainty, when it's time to appropriate money for the missiles. "It's a bad decision from a military standpoint," said Colorado

Democrat Gary Hart, a Presidential prospect who had led an unsuccessful filibuster, "a bad decision from an economic standpoint, and a terrible decision from the standpoint of national security." President Reagan said that the favorable MX votes—the House had approved deployment earlier—made progress in disarmament talks all the more likely.

MX was but one item in the Senate's \$200 billion hardware authorization bill for fiscal year 1984; a conference committee now has to resolve differences with a similar measure adopted last week by the House. For one thing, the House bill links production of the MX to progress on development of a smaller intercontinental missile called Midgeman. The House also voted against cranking up nerve gas production lines.

Though Congress essentially rubber-stamped his shopping list otherwise, Secretary of Casper W. Weinberger sounded anything but grateful. Reacting to charges that the military was paying far too much for spare parts, he asserted that Congress was to blame for the Pentagon's management difficulties. In his national radio address yesterday, the President added that the "horror stories" on waste were "the result of our own investigations."

Another Administration official disclosed last week that Washington had asked Moscow to consider limiting medium-range nuclear warheads in Europe to 50 for each side. But the official—Richard E. Burt, Assistant Secretary of State for European Affairs—said the Russians had "refused serious discussions." He also said that NATO would not alter its

plan to begin deploying 572 cruise missiles and Pershing 2 missiles (a test model of which broke apart shortly after launching last week) in Europe starting in December unless an arms-limitation deal is struck.

The Political Environment

President Reagan's front-line generals on environmental policy took a few steps beyond the White House trenches last week. William D. Ruckelshaus, head of the Environmental Protection Agency, said the Administration had misread its mandate on the environment. And Interior Department officials said Secretary James G. Watt viewed the President's land "privatization" program as a political mistake and so had withdrawn territory controlled by the department from public sale.

In what might have been an attempt to shortcircuit charges of plus

go change at E.P.A., Mr. Ruckelshaus said the Administration's early concentration on economics and deregulation had led the public to believe it was hostile to environmental issues. "My own view is that we do need to change a lot of these environmental laws" to make them "more reasonable and less burdensome," he said, adding this did not mean changing the laws' goals. "We cannot deregulate in this area," he said.

Mr. Watt's action, prompted by fear among public and private interests in the West that Government land might be closed off, could take 2.5 million acres out of the President's "asset management program." Proposed in 1982, the program seeks to reduce the national debt by selling off "excess" Federal property. (The Federal Government owns more than 700 million acres, about one-third of United States territory.) "Selling off public lands to retire the national debt is not a sound policy and never was endorsed by Watt," an aide to the Secretary said.

The Kremlin also uses a carrot and a stick

3

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The World

Lebanon's Risky Real Estate Game Goes On

Lebanon's capacity for self-government was tested anew last week and the results were not brilliant. Syrian forces suddenly withdrew to the outskirts of the northern city of Tripoli, vacating strongholds that were promptly occupied by rival Lebanese militias. The militiamen thereupon resisted efforts by Beirut authorities to bring in national police.

Attempts to extend Beirut's writ was also a major topic in Washington. After Israeli Prime Minister Menachem Begin said he could not get there, President Reagan invited Foreign Minister Yitzhak Shamir and Defense Minister Moshe Arens for three days of talks with Secretary of State George P. Shultz and other officials. The Israelis promised to coordinate plans for their pullback from 240 square miles in central Lebanon with the Beirut authorities, who hope to fill the vacuum with help from multinational units.

Despite fears the pullback would lead Lebanon into de facto partition among Israeli, Syrian and Palestinian forces — an "awful" prospect, Mr. Reagan said — the Americans were unable to change Israel's plans. Putting the best face on the pullback, Mr. Shultz called it "a step in the direction of total withdrawal." But Jerusalem's timetable, which lacked a starting date, extended only to this winter, when the regrouping of Israeli troops south of Lebanon's Awali River is to be complete.

The Washington talks touched only lightly on Mr. Reagan's 11-month-old proposal to revive autonomy talks for the West Bank. Tensions there rose last week when masked gunmen shot up the Islamic College campus in Hebron, killing three persons and wounding 33. Deputy Foreign Minister Yehuda Ben-Beir promised an all-out effort "to find the evil people responsible." After a Yeshiva student was killed in Hebron on July 8, Jews from a nearby settlement retaliated by burning the Arab market.

In preparation for the pullback into southern Lebanon, the Israeli Army ordered its sometime allies, Christian Phalangist militia units, to leave facilities near Tyre. Lebanese firepower in the south was to be eventually confined to the Israeli-sponsored forces of Maj. Saad Haddad. But after an outbreak of anti-Israel protests and threats of a Christian-sponsored general strike, the order to vacate was suspended.

In Poland, the Mixture as Before

Since the end of martial law the week before last, only a few Poles have noticed a difference. Officials said 1,181 prisoners, the great majority non-political, had been released under an amnesty but so-called temporary measures and permanent changes in the penal code voted by Parliament last week made it clear the repression of dissent



Janusz Onyszkiewicz, former spokesman for Solidarity, leaving a Warsaw prison last week.

would continue to be part of routine life in Poland.

Three fugitive officials of the Inter-regional Commission for the Defense of Solidarity, the banned union, came out of hiding to accept the amnesty and called for dialogue with the Government. But members of the more important Provisional Coordinating Commission appeared to entertain no such hopes and remained underground. One important figure who benefited from amnesty was Prof. Bronislaw Geremek, who was a leading adviser to Solidarity.

The penal code changes, made despite protests by Roman Catholic bishops who warned of a return to Stalinism, offered dissidents no encouragement. Membership in an organization that has been banned or whose registration has been refused will bring up to three years in prison

as will organizing or leading an illegal protest and displaying opposition posters. Another bill broadened the Government's censorship powers, although here the Church won some minor concessions. Six Catholic bloc members in the 460-member Sejm voted against the penal measures.

An aide to Jozef Cardinal Glemp complained that while the regime had kept its promise to Pope John Paul II to abolish martial law, "the legal consequences of martial law have absolutely not been lifted. Even worse," he added, "the consequences have been made even harsher and not more liberal."

A New Armenian Death Mission

Five Armenian nationalists last week found a suicidal way to crack the "wall of silence" they complained was muffling their cause. They stormed into the Turkish Embassy compound in Lisbon, lost one man in an exchange of shots with security guards, seized the Ambassador's residence and were killed, after a 90-minute siege, in an explosion they apparently ignited. A Turkish diplomat's wife and a Portuguese policeman also died.

In a note mailed to news agencies, the little-known Armenian Revolutionary Army claimed responsibility for "our sacrifice to the altar of freedom." Portuguese police said the five men were traveling on Lebanese passports, but the cell's existence reportedly was news to Armenians in Beirut.

The violence was taken up, but not condemned, at last weekend's meeting in Lausanne, Switzerland of the Second Armenian World Congress. Some 70 delegates claimed to represent 3 million people in 30 countries, many of them descendants of Armenians who fled Turkey while hundreds of thousands of their relatives, they say, were being massacred early in this century. They seek reparations as well as an Armenian state carved from northeastern Turkey — which has denied mass killings took place — and possibly extending into Soviet Armenia.

Only a few governments, notably France, officially support Armenian aspirations, but Western diplomats in Paris believe Syria and Iran have assisted some of the terrorists. Several members of the better-known Armenian Secret Army for the Liberation of Armenia, which American officials said espouses Marxist ideology, were recently arrested in France and found to have Syrian passports. Prosperous Armenians in the United States and Europe contribute to competing nationalist groups, sometimes under duress.

The terrorism in Lisbon was the third attack against Turks in 13 days. On July 14, the Revolutionary Army claimed responsibility for the fatal shooting of a Turkish diplomat in Brussels. The next day, the Secret Army put a bomb in a suitcase at the Turkish Airlines counter at Orly Airport in Paris. It killed seven persons and wounded 55.

Ethnic Killings Shake Sri Lanka

Sri Lanka is a 25,000-square-mile dot off southeast India, crowded with 15 million people who gave a bloody demonstration last week of their inability to get along with each other. The death toll from the worst clashes in 30 years between the majority Sinhalese, about four-fifths of the population, and minority Tamils was reported to be at least 140. President Junius R. Jayewardene cracked down on Tamil separatism, which he blamed for most of the violence.

Mr. Jayewardene, who moved to ban the Tamil United Liberation Front, the second largest party in Parliament and strip its members of their civic rights, declared "the Sinhalese will never agree to the separation of a country that has been a united nation for 2,500 years." As part of the crackdown, three Marxist parties were banned yesterday.

Sri Lanka used to be the British colony of Ceylon. In ancient and perhaps happier times, it was known as Serendip but good fortune now seems scarce. Last week's events included a burning and looting rampage by Sinhalese sailors, the massacre of 52 Tamils in two incidents in the main prison in Colombo, the capital, a terrorist bomb attack in a Colombo bazaar followed by a barrage of gunfire by soldiers who also shot looters and arsonists on sight. The capital, where some Tamil homes and stores were destroyed by fire, was put under curfew and heavily patrolled.

In a way, the quarrel was between Indians. The Buddhist Sinhalese are descendants of colonists from northern India while the Hindu Tamils originally came from southern India. Some Tamils are still Indian nationalists and opposition parties in New Delhi called on the Government to dispatch troops. Indian Foreign Minister P.V. Narasimha Rao went to Colombo reportedly to allay fears of Indian intervention.

Milt Freudenheim and Henry Glazier

In Beirut's Ugly Mood, One-Way Tickets Sell Fast

Is Lebanon Sliding Toward Partition?

By THOMAS L. FRIEDMAN

BEIRUT, Lebanon — Lebanon feels partition is closer today than at any time since the darkest days of the 1975-1976 civil war. Druse and Christian militias are mobilized for a duel to the death in the Shuf mountains southeast of Beirut, as soon as the Israelis move out of the way. The American and French Embassies are besieged by crowds of Lebanese seeking visas and travel agents are doing a brisk trade in one-way tickets.

Normally moderate individuals, Moslem and Christian, seem to be increasingly affected by the hatreds conjured up by the Druse-Maronite battles and at social gatherings one hears them make shockingly immoderate statements about each other. So ugly has the mood become that after his meetings with President Reagan in Washington, Lebanon's President Amin Gemayel slipped back into Beirut at midnight, without even a drum roll, because of security officials' heightened fears for his safety.

Despite assurances last week by Secretary of State George P. Shultz that Israel's partial pullback is "a step in the direction of total withdrawal," the outlines of partition are clearly taking shape. "In the old days, when only the Syrians were here, people used to talk about partition, but no one ever felt it was a serious possibility — the country still seemed unified," said a Lebanese banker and former Cabinet minister. "It seemed then that partition was just standing on one foot. But now that the Israelis are in the south and the Syrians in the north and the Bekaa, partition seems to be standing securely on two feet. Now it is a very neatly balanced equation."

The Israelis announced last week they intend to begin their phased pullback from the Shuf mountains into more secure positions in southern Lebanon, where they will wait — unharassed, they hope — for Syrian withdrawal. In an attempt to reduce the potential for intra-Lebanese conflict behind their new lines, the Israelis asked the Phalangists to reduce their presence in southern Lebanon. But after pro-Phalangist protests from Christian villagers, the Israelis backed down. In any event, the honeymoon between the Israelis and the Phalangists appears to be coming to an end. Judging by remarks by Israeli Defense Minister Moshe Arens, the Phalangists are increasingly viewed as a source of antagonism and instability. The Israelis seem to believe that only the combination of a strong Lebanese army and the militia of Maj. Saad Haddad can take over from them in the south and keep the Palestinian guerrillas from returning.

The Israelis may discover, however, that waiting for the Lebanese Army has an air of "Waiting for Godot" — the character in the Samuel Beckett play who never appears. Americans and Israelis have impressed upon President Gemayel that unless he finds a solution in the Shuf soon, his army and Government will have little future. The Shuf is the core around which the rest of the country was formed and the original accord there between

Druse and Maronites has always been the basis for the wider Moslem-Christian power-sharing on which the Lebanese Government is based. Unfortunately, Mr. Gemayel has often eschewed quiet dialogue with the Druse in favor of public argument with their leader Walid Jumblatt, who has not helped matters by joining with the Syrians to form a so-called alternative government.

Nevertheless, Mr. Gemayel seemed last week to be toning down his remarks and beginning serious negotiations with the Druse. These will not be easy. Apparently the only basis for a settlement would be to concede some of the Druse demands for a bigger share of the Lebanese political pie and the immediate removal of the Phalangist militia from the Shuf. However, such changes would entail concessions by Maronites in general and Phalangists in particular. Since these groups maintain they "won" the war of the summer of 1982, they are not in a mood to make concessions.

In fact, a group of Maronite leaders paid a call on President Gemayel recently and suggested he get rid of the town of Tripoli — cede it to the Syrians. Its large Sunni Moslem population, they said, if restored to Lebanese Government control, would greatly shift the power balance against the Christians.

As for Syrian intentions, there are two schools of thought. One group, which appears to include the Americans, argues the Syrians would be prepared to withdraw from Lebanon if given the right combination of inducements, including recognition of their legitimate security interests and a central role, possibly replacing Jordan, in American peace diplomacy for the region. The second school argues that the regime of Syrian President Hafez al-Assad, because of its historical claims to Lebanon and its own self-interest, will not withdraw unless forced out. These analysts contend the Syrian regime does not care about recovering the Golan Heights from Israel or about piddling security guarantees Lebanon might be able to offer. The only thing Mr. Assad cares about, in this view, is the survival of his regime. By staying in Lebanon and continuing to face the Israelis, he keeps himself at the center of all the Middle East equations and justifies the heavy militarization of the Syrian state, which is critical to his survival.

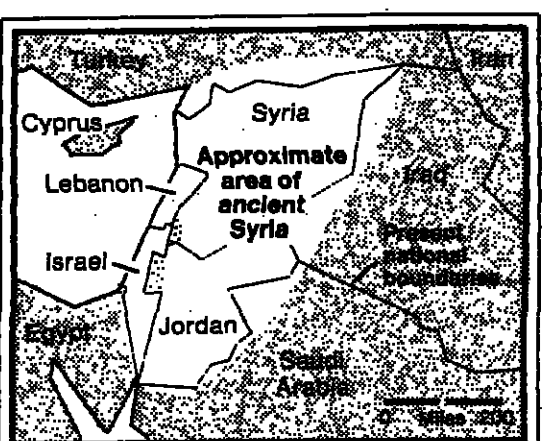
The last thing Mr. Assad wants is to find himself in the position of the Egyptian leadership after its peace settlement with Israel, when all the long-suppressed demands for democracy, freedom of expression and butter instead of guns came to the fore.

Syria's Claims: The Old Order

SYRIA'S territorial claims to its neighbors have deep historical roots. From antiquity until the early 20th century, "Syria" referred to the whole settled area at the eastern end of the Mediterranean, from the Taurus Mountains in the north to the Sinai peninsula in the south and from the Mediterranean Sea in the west to the Syrian desert in the east.

Under the Turkish Ottoman Empire, which controlled the eastern Mediterranean from 1517 until after World War I, the area was known as "Greater Syria." Israel (Palestine) and Jordan were part of the large Ottoman province of Syria ("Sham"), ruled from Damascus. In 1887, the Ottomans reorganized the area. The region west of the Jordan River remained under the rule of Damascus Province; Palestine, to the east, was divided. Northern Palestine was governed from Beirut Province and the southern part was administered from Jerusalem. Although geographically distinct, Palestine was considered part of "southern Syria" by many local Arab inhabitants.

In April 1920, after the Ottoman defeat, the World War I Allies partitioned Greater Syria into British and French mandates. Transjordan and Palestine were carved out of the southern half of the Ottoman's Syria, Beirut and Jerusalem provinces and given to the British. The French took the areas to the north — northern Beirut Province, the Mount Lebanon district and what was left of Greater Syria.



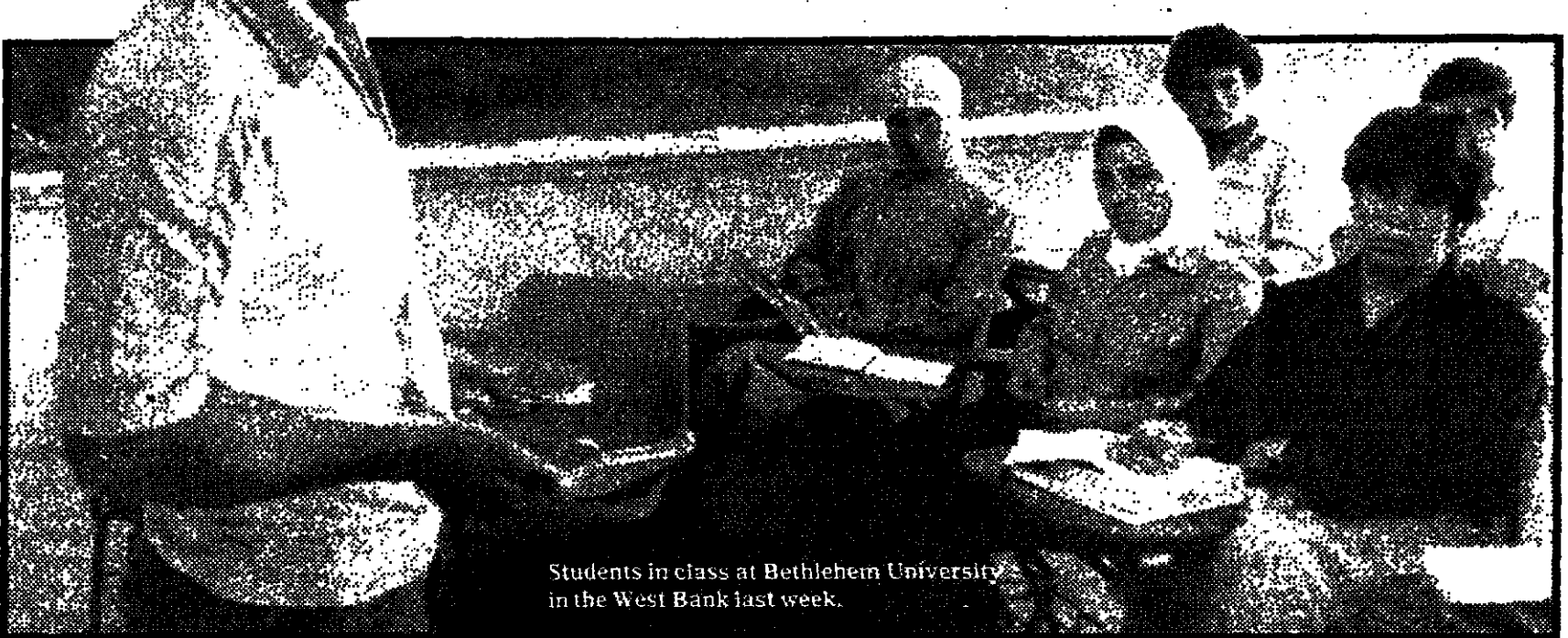
In order to rule their area more effectively, the French divided it further. In August 1920, they created the state of Lebanon by annexing to the Christian Mount Lebanon district the Bekaa and the coastal towns of Beirut, Sidon, Tyre and Tripoli. With the territory that remained they created modern-day Syria. The populations of the districts that were patched into "Greater Lebanon" from historical Greater Syria were not consulted before the annexation, and many of the Moslem inhabitants opposed it. They, like the Syrian Arab nationalists of the day, advocated instead the reincorporation of Lebanon into Syria.

To this day, the Syrian Government has not recognized the division between it and Lebanon and has refused to establish an embassy in Beirut.

—T. L. F.

West Bank Violence Makes Matters Worse

Palestinian Students Now Graduate Into Uncertainty



Students in class at Bethlehem University in the West Bank last week.

The New York Times/Micha Bar-Am

By CAREY GOLDBERG

JERUSALEM — Once they could count on lucrative jobs in the Persian Gulf or in the service sector at home. But this year many Palestinians graduating from the growing universities in the Israeli-occupied West Bank face futures as manual laborers or without jobs at all. The classes of 1983 have seen prospects in the oil-rich countries dried up by economic and political troubles, while the limited number of worthwhile positions in the West Bank have been largely taken by earlier graduates.

Mohammed Attia Yassin, a third-year engineering student at an Najah University in the town of Nablus, said that there was panic in his department. "Of the 20 students graduating, only five will find jobs," he said.

According to university officials, graduating classes at the four major institutions of higher learning in the West Bank — Bir Zeit, An Najah, Bethlehem University and Hebron, which awards only a bachelor's degree — have mushroomed in the past five years, while the number of job openings has remained static in the West Bank and virtually nonexistent in Israel proper. "In 1977 or 1978," said a Bethlehem University associate professor, Costandi Shomali, "Bethlehem turned out 60 graduates, Bir Zeit maybe another 60. There were at the most 100 to 150 West Bank graduates a year. This year Najah alone will give the market some 700 graduates. In the past we kept 70 percent of the graduates here; now, with universities all over the West Bank, the competition will be very tough and many more will leave." Last week, more West Bank violence added to the worries,

particularly at Hebron College where three persons were killed by masked assailants. The school was closed indefinitely.

West Bank professors, aware that the more education they give a young Palestinian, the likelier he is to leave, have an old complaint: "We train our students for export." But this year, as July graduation ceremonies take place at the colleges and universities, concern centers less on nationalistic aims than on whether graduates will be able to find jobs anywhere.

Jordan Raises Fears

The four West Bank institutions charge tuition of \$225 to \$295 a semester. Much of their financing comes from the Palestine Liberation Organization and other Arab sources. Achiya Yitzhaki of the Judea and Samaria civil administration said Israel provides mainly technical help.

The most frightening unknown for many students is whether tough new Jordanian border restrictions will make it impossible for them to leave the West Bank by crossing into Jordan. Officially, Israel demands that young Palestinians who leave the West Bank remain outside for at least nine months; Jordan, however, is said to be granting only one-month visas. All those between 17 and 26 years old who attempt to cross are reportedly turned back. "There is no other way of getting to the Gulf except through Jordan," a university official said. He explained that the Gulf states consider those who transit through Israel, Egypt or Lebanon as Zionist collaborators.

Even if Palestinian graduates can successfully negotiate their way out of the West Bank, their chances of gaining entrance to a country and finding work there are much worse than in recent

years. "Four out of 10 of our graduates used to go directly to the Gulf until last year," Dr. Saeb Erakat, director of external relations at Najah, said. "Now, the Kuwait Government has cut its budget by 40 percent and Saudi Arabia has run deficits for the first time since 1973. It's impossible to get a visa to either of them."

The Iran-Iraq war, he noted, has taken those two countries off the list of prospective employers. And as for Syria, "after the recent break in Syrian-Palestinian relations, don't even think about it," said Hisham Zubbi, a fourth-year mathematics student at Najah.

Gabi Baranki, acting president of Bir Zeit University, said that many graduates end up working in Israel as laborers but almost nobody finds work there in his specialty. Professor Shomali believes that the situation will grow even worse. "In 10 or 15 years, every Arab state will have enough educated people of their own," he said. "Then they'll kick out all the Palestinians. They'll come home but we'll have no jobs for them here."

Dr. Erakat said that the West Bank's universities are considered "the universities of the poor," because parents who can afford to will spurn the local schools and send their children to Europe, America, or at least Amman. Yet, he said, education has become such an important value that despite all its problems, the West Bank has the highest percentage of students who opt for continuing education in the Arab world, and the demand is still growing. In a total population of slightly more than 800,000, there are 7,000 university students. "It all stems from the crisis of '48, and the crisis of '56, and the crisis of '67," he said. "They have convinced many Palestinians that education is the one and only security in these troubled waters."

Last Week's Grain Deal Is the Latest Signal of Soviet Flexibility

The Kremlin Also Uses a Carrot and Stick

By JOHN F. BURNS

MOSCOW — In the Kremlin, the blunt instrument never lies far from hand. But lately, at least in relations with the United States, there has been a finely balanced manipulation of the carrot as well as the stick. Since Leonid I. Brezhnev's death in November, Yuri V. Andropov has been busily ringing the changes, putting forward tightly packaged arms proposals one week, warning of unhappy consequences if they are rejected the next, and insisting all the while that Moscow would like nothing better than a return to the more productive days of détente.

Last week, it was time for a fresh offering of the carrot. To almost everybody's surprise, Soviet negotiators in Vienna hastened the conclusion of a new five-year grain deal with the United States that increased minimum annual purchases by 50 per cent over the 1975 pact, drawn up in the heyday of détente. By agreeing to take nine to 12 million tons a year starting Oct. 1, the Russians moved almost overnight from the brooding, never-again approach they adopted in the wake of the partial American grain embargo in 1980-81 to something more like a business-as-usual stance. In so doing they presented President Reagan with an unexpected political boost in the farm belt.

With this year's improved harvest expected to fall by 30 to 40 million tons below the target of 238 million tons, the Soviet move was not altruistic. Nor did the pact necessarily mean that Soviet purchases would rebound to pre-embargo levels, when American farmers were taking 70 percent or more of the Soviet market. With annual imports of 30 million tons or more foreseen for the next few years, the Kremlin could take the minimum under the new agreement, leaving the United States with barely 30 percent of the world's most lucrative grain market.

Nonetheless, Western diplomats here had no doubt that the Soviet leadership intended the new pact as another in a series of recent gestures to Washington. Perhaps more significant have been the as yet limited adjustments in the Soviet negotiating position on medium-range missiles in Geneva, in which Mr. Andropov agreed to American demands that warheads, as well as the number of launchers, should be used as the measure of striking power. In addition, there have been shifts in the Soviet posture at the parallel talks on strategic weapons.

In Madrid earlier this month, the Soviet delegation agreed to a compromise that broke a three-year impasse at the conference on East-West security, cooperation and human rights. The Madrid deal saw the Russians agree to a series of follow-up meetings on human rights issues over

the next three years, as well as to an improvement in the wording in the human rights provisions of the original Helsinki accords. As with the grain pact, the Madrid understanding served a Soviet end. In return for the concessions on human rights, which involved no commitments by the Russians to practical measures such as speeding family reunification or Jewish emigration, the Kremlin won the West's agreement to a fresh round of disarmament talks within the Helsinki framework.

Doing Business With Reagan

Something of the same calculation seems to have been involved when the Kremlin gave its blessing to the lifting of martial law in Poland, which cleared an obstacle to broader East-West contacts without conceding anything of importance to Western demands for a resumption of dialogue with Solidarity, the proscribed trade union that Moscow has sworn never to tolerate again.

But if each of these moves suited a Soviet interest, they also suggested that the leadership here has decided that it may be best to try and do business with Mr. Reagan now rather than await the outcome of next year's Presidential election. Not many months ago, senior Soviet officials were saying that the Kremlin had effectively written off the prospect of major breakthroughs in Soviet-American

ties as long as Mr. Reagan was in the White House.

But not long afterward some of the same officials were saying privately that analysis made Mr. Reagan a likely winner in 1984. The common belief among Western envoys now is that the Kremlin is assuming it may be better to seek an accommodation with him while electoral politics impels him towards compromise rather than wait until re-election frees him to follow more conservative instincts.

The Soviet priority lies in Geneva. With only one more negotiating session before the December deadline for the first deployments of the American cruise and Pershing 2 missiles in Western Europe, time is running out. Publicly, Mr. Andropov remains opposed to any deal that permits new United States missiles. Yet the feeling persists among diplomats here that a better indicator of the Kremlin's intentions may have come from West German Chancellor Helmut Kohl, who, after his visit here earlier this month, reported that Mr. Andropov had assured him of a "margin of flexibility" in the Soviet position.

The Kremlin also has broad economic goals that affect its foreign policy. Mr. Andropov's bid to invigorate the Soviet economy, carried forward this week with a package of experimental measures granting fuller autonomy to plant managers, will be badly cramped if the leadership is forced into further heavy investments in high-technology weaponry. Equally, there is a pressing frustration among modernizers about the restraints on high-technology trade the United States and its partners have imposed, and a concern that loopholes through which computer and other equipment have been obtained may be closed. Underpinning all of this is a sense, deeply felt by many Russians, that the dignity and respect due them as a superpower can never be theirs as long as the United States treats them as pariahs.

Already Facing Missile Protests, Bonn Is Especially Concerned

The Allies Hold Their Breath As Fleet Moves to Honduras

By JAMES M. MARKHAM

WEST BERLIN — Across Western Europe a mood of unease began to take hold last week, a fear that the Reagan Administration was moving toward a military confrontation in Central America.

There is not yet a crystallization of alarm or protest — nothing resembling the sustained outcry that accompanied the American intervention in Indochina — but in some Western European capitals, officials are worried that a military flareup in Central America could put new strains on the Atlantic alliance. Gunboat diplomacy that went from bluffing to shooting would likely draw new demonstrators into the streets and bring into sharper focus the lingering issue of the Reagan Administration's reliability in managing world affairs.

These anxieties probably run deepest in West Germany, where Chancellor Helmut Kohl's conservative Government is already bracing for a "hot autumn" of protest against the deployment of American medium range missiles. Mr. Kohl is almost desperately eager for a Soviet-American accord in the Geneva arms talks that might defuse the planned demonstrations. But a shooting war in Central America would severely undercut the Chancellor's uphill defense of Washington as being interested in negotiated, not military, solutions. "The missile business is not going to be immune from what's happening in Central America," an American diplomat noted.

At last month's West German-hosted summit in Stuttgart, the 10 nations of the European Community took their distance from the Reagan Administration by declaring that Central America's problems "cannot be solved by military means, but only by a solution springing from the region and respecting the principles of noninterference and the inviolability of frontiers." This, broadly, holds as an omnibus Western European position, but the distance from Washington has grown since the dispatch of an American flotilla to Central America's Pacific coast. So far, though, most governments have preferred to express their qualms privately to Washington, and not embarrass President Reagan at a delicate moment of brinkmanship.

While governments bite their tongues, opposition figures have voiced sharp criticisms. The left-wing Italian daily La Repubblica said the Reagan Administration "is distractedly slipping into the quagmire of a Vietnam." In West Germany, former Social Democratic Chancellor Willy Brandt declared that war could explode in Central America "within days or weeks" and Karlstein Voigt, the

party's foreign policy spokesman, called upon the Kohl Government to speak out as forcefully against American interference there as it does against Soviet involvement in Afghanistan and Eastern Europe.

The Government rebuffed the Social Democrat's suggestion, but, overall, there is little stomach in West Germany for the use of force to solve problems, as the country's uneasy and wavering response to Britain's retaking of the Falkland Islands demonstrated last year. The feelings of Mr. Kohl's Christian Democrats about Latin America are conditioned, too, by their intimate ties to beleaguered sister parties there. The Chancellor is personally close to José Napoleón Duarte, the former Christian Democratic President of El Salvador, who was in Bonn earlier this month. To keep pressure on El Salvador's behind-the-scenes military leaders, Bonn is withholding sending an ambassador back until a firm date for new elections is set.

Reaction elsewhere runs from supportive in Britain, where Prime Minister Margaret Thatcher remembers Washington's critical support over the Falklands, to something close to suppressed outrage in Spain. In the House of Commons, Mrs. Thatcher defended President Reagan's policies and insisted that the United States was free to hold military exercises in Latin America without informing its allies. The opposition Labor Party, by contrast, issued an "emergency resolution" that condemned Washington's latest moves as a threat to peace.

French Criticism Muted

The British press split along predictable lines, too. "The barrage of criticism descending on President Reagan's head over Nicaragua is undeserved," commented the Daily Express, a popular tabloid. "He has an appalling difficult task. If he allows Nicaragua to subvert El Salvador, where will the rot stop? This is America's backyard." The liberal Guardian, however, took issue with the designation of Henry A. Kissinger, the former Secretary of State, to head a bipartisan commission on Central America. "He has always viewed the hungry and despairing as pawns in a global chess game," said the Guardian.

France's Socialist Government has retreated somewhat from its earlier, militant criticisms of the Reagan Administration's Central American policies. In Rio de Janeiro last week, Foreign Minister Claude Cheysson confined himself to the suggestion that Central America should be "demilitarized." One cause for France's muted position is its own military support for the Chad Government of President Hissène Habré, which confronts a Libyan-supported rebellion. Even so, Jacques Hüntzinger, the



U.S. military adviser training Salvadoran troops near San Salvador.

Socialist Party's foreign relations spokesman, condemned the Reagan Administration's "destabilization plan" aimed at Nicaragua and said, "one cannot have a different position on Afghanistan and Nicaragua." The thrust of much Western European criticism is that the Reagan Administration has superimposed a simplistic, anticommunist world view onto the shifting and complicated realities of Central America. El País, the left-of-center Madrid daily, observed that limiting the Central American problem "to only a vision of East versus West, to attribute everything that does not suit the North Americans to Cuban and Soviet intrigues, prevents true understanding and permits the use of military escalation as a search for a way out."

Felipe González, Spain's Socialist Prime Minister, made it clear on a visit to the Contadora nations last month that he considers the United States as playing a negative role in the region. But his Government has re-

frained from specific criticism of Washington's latest steps.

Falling in the midst of vacation time — an almost sacred disengagement from politics — the building crisis in Central America has not yet seized popular attention or panicked chancelleries in Europe. But the Reagan Administration has embarked on its Latin American course without the reassurance of reliable support in Western Europe for its dealings with the Soviet Union, which is almost certain to exploit any misstep in Washington's backyard. And, particularly in West Germany, there is a sharpening realization that the Reagan Administration could hand the free-floating anti-missile constituency a new, galvanizing issue if it moves into a showdown with Nicaragua or Cuba. The hard-core anti-American demonstrators who hurled paving stones and paint-filled balloons at Vice President Bush in West Germany last month marched under a banner that proclaimed, "Hands Off Nicaragua."

A Poll Showed Most São Paulans Want to Keep the Feared Rota

Brazilian Police Find Brutality Habit-Forming

By WARREN HOGE

SAO PAULO, Brazil — André Franco Montoro, the first elected governor of São Paulo in nearly two decades, promised the voters he would humanize a police force that had earned the reputation of being the most violent and unaccountable in Brazil. A notorious battalion known as Rota had killed more than 700 people in the last three years. Members wore black berets and armbands and made the sign of the cross on passing their unit insignia. Rota had its own files and radio communications. It answered not to the state police chief but to its own commander. Rota members once fired on a police patrol that had disputed jurisdiction during an arrest.

Brazil's police were schooled by their army superiors in combating urban terrorism. When the guerrilla movements died out, antiterrorist techniques were maintained for common crimes. Confessions were regularly extracted on the "parrot's perch," a torture device in which electric shocks were applied to sensitive areas of a suspect suspended upside down and made with wrists and ankles bound to a pole. And many officers were believed to be members of murderous vigilante bands.

Last week, after having cracked down on excesses such as these, state officials were debating setting limits on police actions during protests such as this month's strikes protesting economic hardships.

Predictably, Governor Montoro's efforts have provoked resistance. The first challenge came from Rota's commander, Lieut. Col. Níomar Cirne Bezerra. "When you talk about the extinction of Rota, he argued, 'you are only turning power over to criminals.' Police officers have staged work slowdowns, warned colleagues against informing and forced merchants to complain on Rota's behalf. And to the new administration's surprise, the announcement of a nova polícia has also produced opposition from many voters.

Years of dictatorship left many police officers with



Police arresting a demonstrator near São Paulo this month during strike over economic conditions.

the notion that cellroom beatings and night-ride killings were essential. Apparently, many citizens also were conditioned to believe they would be less well-protected by more humane methods.

"There are people in the city who sincerely believe that you have to have violence to maintain tranquility,"

said Manoel Pedro Pimental, the law professor and former judge who is the state's new security chief. "They think it is of no importance whatever if you kill delinquents." In one poll, 85 percent of those interviewed wanted to keep Rota. With crime statistics rising, another poll showed safety as the number one concern. "If I put

Rota in the streets," Mr. Pimental said, "I get beaten up by the press and human rights groups. If I restrict Rota, I get beaten up for not being able to control criminality."

The dilemma illuminates difficulties of moving from authoritarian to representative government that often get lost in the rhetoric that accompanies the transition. Leaders of successful rebellions warn their followers of likely troubles in the postrevolutionary period of "consolidation," something like that is happening now in São Paulo.

Forgiving the Past

Mr. Montoro chose in the end to keep the 13-year-old battalion, but he changed its high command, ordered its name removed from Police vehicles and restricted it to its original functions — sweeps of high crime areas and crowd control. Human rights groups attacked the decision and demanded the dismissal of officers implicated in abuses during the past decade of harsh repression. "Sometimes the police have to use violence," Mr. Pimental replied, "because the bandits are not in the street with banners and flowers." As for a purge of the police, he added, "We had an amnesty in Brazil in 1979, and that is a juridical act that eliminates the existence of a crime. Thus, if those who were on the side of the guerrilla were amnestied, the same applies to those who fought them." More generally, precinct commanders were told to lecture their men on the new ethic. "We wanted them to know that from now on, taking a prisoner was considered better than killing him," Mr. Pimental said.

The state of São Paulo has two principal police forces — the 78,000-member uniformed military street force, which was criticized for using excessive violence, and 27,000 plainclothesmen specializing in detective and procedural work, many of whom were corrupt. The new administration promptly had a plainclothesman known to be an extortionist arrested as a warning.

"As for the military police, it is very hierarchical, and orders that come from above are obeyed by those below," Mr. Pimental said. "In the last eight to 10 years, those orders were to use violence. Now we're passing down the opposite instructions."

Mr. Pimental said he preferred to view the work slowdown as a product of what he called "the unfamiliarity of the police with the new methods — If someone really proves that he can't adapt, we'll send him away." He added, "What makes me most happy is that the message has been accepted by the commanders. The old order existed for 15 years, and four months has not been enough time for it to percolate through the force yet."

BROADWAY 80

WARNING — The Ministry of Health has determined that smoking is harmful to health

I'm glad I changed.

The Nation

More Than One Way to Show a Smaller Deficit

In budgeting as in business, the bottom line is what counts. But in the former perhaps more than the latter, how you get there can count even more. That was the reason Congressional Democrats were quick to characterize as disingenuously cheery the revised budget estimates President Reagan sent to Capitol Hill last week.

In their mid-session review, the President's economists combined the strength of the recovery with spending cuts that Congress has effectively rejected to derive a new, reduced deficit figure for 1984 of \$179.9 billion, down nearly \$10 billion from January's estimate of \$188.8 billion. "The news is good as far as deficits are concerned," Treasury Secretary Donald T. Regan declared. The mid-session review "repudiates" the Administration view, countered Representative James R. Jones, the Oklahoma Democrat who heads the House Budget Committee. "It shows that we cannot grow our way out of our deficit problem."

White House estimates for the longer term supported Mr. Jones's point. Barring any spending cuts and lacking any revenue increases, Federal red ink was estimated to run more than \$200 billion a year through 1988, even after including \$133 billion more in revenues and \$33 billion less in outlays — all the result of recovery — than first projected. And while the week's economic indicators confirmed the recovery's strength, they pointed as well to the perils the expectation of high deficits can bring.

In June, the Index of Leading Indicators, a gauge of economic trends, rose 1 percent, for its 11th monthly advance. And in the April-June period, productivity of the nation's businesses rose at an annual rate of 4.3 percent, the best showing in more than two years. But Paul A. Volcker, overwhelmingly confirmed last week for a second term as chairman of the Federal Reserve, testified that business's credit needs were beginning to clash with the Treasury's borrowing to finance the deficit. The reaction was swift. Long-term interest rates rose and the stock market retreated.

Capitol Hill meanwhile provided a classic example of spending's pulls and tugs. To avert a cutback in food stamp benefits starting tomorrow, the Senate yielded on including in a catch-all supplemental appropriations bill an Administration-sponsored \$8.4 billion increase for the International Monetary Fund. Opposition in the House to no-strings money for the lending agency has been strong; a separate vote on the I.M.F. is expected this week.

Giving Crime A Bad Name

High-powered inquiries and unfettering publicity have apparently done little over the years to reduce the influence of organized crime. Nonetheless, the White House last week announced the formation of a commission whose primary duty will be, at least initially, to give the mob an



President Reagan with Judge Irving R. Kaufman last week.

even blacker reputation with public hearings around the country.

President Reagan said he believed "this commission can expose to the American people the small group of career criminals who run the rackets, push drugs, corrupt policemen and public officials and ultimately undermine the very basis of our democratic society itself." The 20-member commission, which is to file a report by March 1986, is also to recommend ways to "break apart and cripple" the mob.

The commission is to be headed by Federal Appeals Judge Irving R. Kaufman of New York, who presided over the trials of spies Julius and Ethel Rosenberg and of organized

crime leaders arrested in Appalachia, N.Y., in 1957. The commission will have to ask Congress for subpoena power. Representative Peter W. Rodino Jr., the New Jersey Democrat who heads the House Judiciary Committee, said he would seek that authority. The panel also includes Strom Thurmond, the South Carolina Republican who heads the Senate Judiciary Committee, four law enforcement officials, five present or former prosecutors, and retired Supreme Court Justice Potter Stewart.

Why Boston Can't Vote

With only two months to go before City Council, School Committee and mayoral primaries, a Federal district judge last week added Boston's election districts to the list of city institutions in receivership. The decision — the latest produced by a decade of lawsuits involving the city's jails, public service hiring and even the management of its beloved baseball team, the Red Sox — did not specify under what conditions elections could be held. It was quite specific on the condition barring them. Nine districts drawn up by the City Council last year, Judge Andrew A. Caffrey ruled, violate the constitutional principle of one person, one vote because they vary in population by as much as 23.6 percent.

Drawing new districts won't be easy. The switch from citywide to district representation for City Council and School Committee came after a hard-fought referendum battle in 1981. Those arguing for district representation maintained it would produce more accountable government and those arguing against charged the plan was a Trojan horse hammered together to give blacks and Hispanic voters, who make up 30 percent of Boston's 562,000 residents, an edge over whites. After the referendum's passage, community leaders of all shades turned to battling among themselves to preserve their preserves. The City Council further complicated the issue by using 1975 state census data instead of 1980 Federal census figures in drawing the new districts on the ground that blacks and the poor were undercounted by the Federal Government in 1980.

In the end, most blacks were concentrated in two districts, while Hispanic voters were scattered through six, and now the dissident minority groups that brought the lawsuit leading to Judge Caffrey's decision have conflicting ideas of how the districts should be redrawn. When they will be redrawn is another question. The City Council last week was weighing petitioning the state Legislature for permission to postpone the primary to give them time to redraw, appeal the ruling or both.

For the U.A.W., Nothing Gained

When Chrysler announced this month that its second quarter profits had been the best ever, the United Auto Workers immediately asked the corporation to share the wealth. Last week the union went away from three days of talks with an empty cup and its leaders talked about a hard line to come when bargaining resumes a few months before the current contract expires in mid-January.

"The Chrysler workers made the greatest sacrifice of anyone," said U.A.W. president Owen Bieber, referring to the \$1.1 billion in concessions company employees gave as part of belt-tightening the Federal Government set as a condition for guaranteeing \$1.2 billion in loans Chrysler needed to avoid bankruptcy. He also made much of the stock options — potentially worth more than \$60 million — enjoyed by top company executives. Lee Iacocca, Chrysler chairman, insisted "we meant it when we said we wanted to share in the success of the company." Chrysler's offer was "not penny ante — it amounted to more than an 8 percent average annual increase," he said.

The U.A.W. wanted a raise of at least \$1 an hour for the company's 56,000 unionized employees, profit sharing and, within two years or so, pay parity with workers at Ford and General Motors (which last week reported financially tolerable second quarters themselves: \$342.2 million for Ford and \$1.04 billion for G.M.). Chrysler said that it could come up with a dollar an hour but only in exchange for a \$15 million a year reduction in health care costs.

The union was not the only institution that manifested interest in Chrysler's comeback last week. The Treasury Department announced it would sell at current market prices, at a probable profit of \$250 million, stock rights the company had granted as part of the loan guarantee package. Mr. Iacocca denounced the decision. The company had offered to buy back the rights for \$250 million, he said, but Washington had "decided to go for the last few bucks of profit."

Caroline Rand Herron,
Michael Wright
and Carlyle C. Douglas

Administration Cautions Against 'Precipitous' Action to Tighten Power

Congress Digs In After Legislative Veto

By MARTIN TOLCHIN

WASHINGTON — Kenneth W. Dam, Deputy Secretary of State, assured Congress last week that the abolition of the so-called legislative veto need not alter the relationship between the Administration and Capitol Hill. If anything, he said, it would lead to greater consultation.

Last month's Supreme Court ruling that the veto is unconstitutional to the contrary notwithstanding, Mr. Dam said, "the Department of State is committed to continue" taking Congress's "concerns into account in reaching decisions on issues of policy. I believe (the ruling) will make the departments and agencies of the Executive Branch more, not less, conscious that they are accountable for their actions."

Skeptics noted that the veto, by which the legislators reserved the right to override certain Presidential decisions, would not have been devised in the first place if Congress had felt adequately consulted. Indeed, Mr. Dam's view was a distinct contrast to the initial reaction to the decision on both ends of Pennsylvania Avenue.

As Mr. Dam pointed out in his testimony, more than a dozen foreign affairs and national security statutes dating back a decade or more have been affected, including the War Powers Resolution and arms export, nuclear nonproliferation and trade controls. They are among the 207 legislative veto provisions in 126 different laws affected by the High Court's ruling. Many of those laws involve the power of regulatory agencies. Mr. Dam was considerably more sanguine than some regulators, who believe that their powers may be irretrievably curtailed.

Michael Pertschuk, a member of the Federal Trade Commission and its former chairman, was jubilant the day the decision was announced. He had seen Congress veto a rule concerning used cars, and the threat of a veto had hung over the panel's deliberations on other issues. It did not take very long, however, for his joy to turn to gloom. Since Congress, which had given the regulatory agencies broad discretionary authority in exchange for the right to veto resulting regulations, had lost the ability to second-guess the regulators, it was threatening to rescind the authority. "It's the worst of all possible worlds," Mr. Pertschuk lamented.

In its first expression of Congress's new mood, the House voted overwhelmingly to curtail the regulatory powers of the Consumer Product Safety Commission, adopting a measure that would require Congress to enact legislation before a proposed rule would take effect. As if in overkill, the House bill also provided that before a new regulation took effect, Congress would have 90 days to enact a law — to be signed by the President — that would nullify the ruling.

That House action sent Administration officials to Capitol Hill — among them, Mr. Dam to the Senate Foreign Relations Committee last week —



The New York Times/George Thomas, D. Gordon
Deputy Secretary of State Kenneth W. Dam (top) and Representative Elliot Levitas.

to urge Congress not to be precipitous. In fact, Congress is divided on its options.

"My own view, as an advocate for the House of Representatives, is that we wipe the slate clean, and repeal all delegations (of authority)," Stanley M. Brand, counsel to the House, said recently. "If the Administration wants to sell a single aircraft, let them come to Congress for permission." That, Mr. Brand observed, would be tantamount to a one-house veto of all arms sales. But Representative Clement J. Zablocki, the Wisconsin Democrat who is chairman of the Foreign Affairs committee, declared Mr. Brand's proposal unworkable. Congress, he said, lacked the resources and time to re-enact all affected legislation.

Another option would be to delete the veto provisions from laws that include severability clauses, while preserving the rest of the statute. Most laws contain such clauses, because Congress generally seeks to preserve measures in the event that the courts find sections of them unconstitutional. Mr. Brand summed up the objections to this approach. "It will permit courts to rewrite statutes," he said, "and because we have, in my view, against our interest but with Pavlovian regularity inserted severability clauses like legal boilerplate in contracts, the Congress will be left with nothing or very little, while a wholesale delegation (of authority) will remain intact."

The Power of the Purse

A third approach would be that of the House in the public service commission bill. It is that the two chambers of Congress adopt a joint resolution that must be signed by the President before any regulation would take effect. Congress also could delay new regulations' effective dates until it had the opportunity to enact legislation that would bar them. Such a method was also approved in the House version of the public service bill; a similar measure has been introduced in the Senate by Carl Levin of Michigan and David L. Boren of Oklahoma, both Democrats.

Of course, Congress could always use its power of the purse to prohibit the use of Federal funds to implement unwanted regulations or carry out unwanted activities, as the House moved to do last week in voting to cut off money for covert intelligence activities in Central America. The final recourse would be a constitutional amendment overturning the Supreme Court decision.

Representative Elliot Levitas, Democrat of Georgia and for years a leading advocate of the legislative veto, recently sent a letter to President Reagan. "So long as this uncertainty exists," he wrote, "I foresee the potential for years of wasteful and bitter confrontation and even chaos in our Government. As one first step, I urge the early convening of a Conference on Power Sharing to address this new situation and consider solutions." Mr. Levitas has discussed his proposal with Vice President Bush and David A. Stockman, director of the Office of Management and Budget. He has received no response from the President.

Playing Host to Potential Presidential Rivals Last Week

Jackson Moves Fast For One Who Hasn't Yet Decided to Run

By FAY S. JOYCE

After leaving the Atlanta hotel where the Rev. Jesse L. Jackson's Operation PUSH held its annual convention last week, one politician marveled, "He's got a train going." In the parlance of politics, that means Mr. Jackson has already whipped up fervor among his followers for his possible 1984 Presidential campaign.

But while some black ministers and politicians are eagerly joining grassroots supporters aboard the Jackson Express, a number of black leaders are carefully staying away from the station. They fear a Jackson candidacy would weaken the Democrats' attempt to unseat President Reagan, sharply reduce black influence on the Democratic nominee or end up serving only Jesse Jackson.

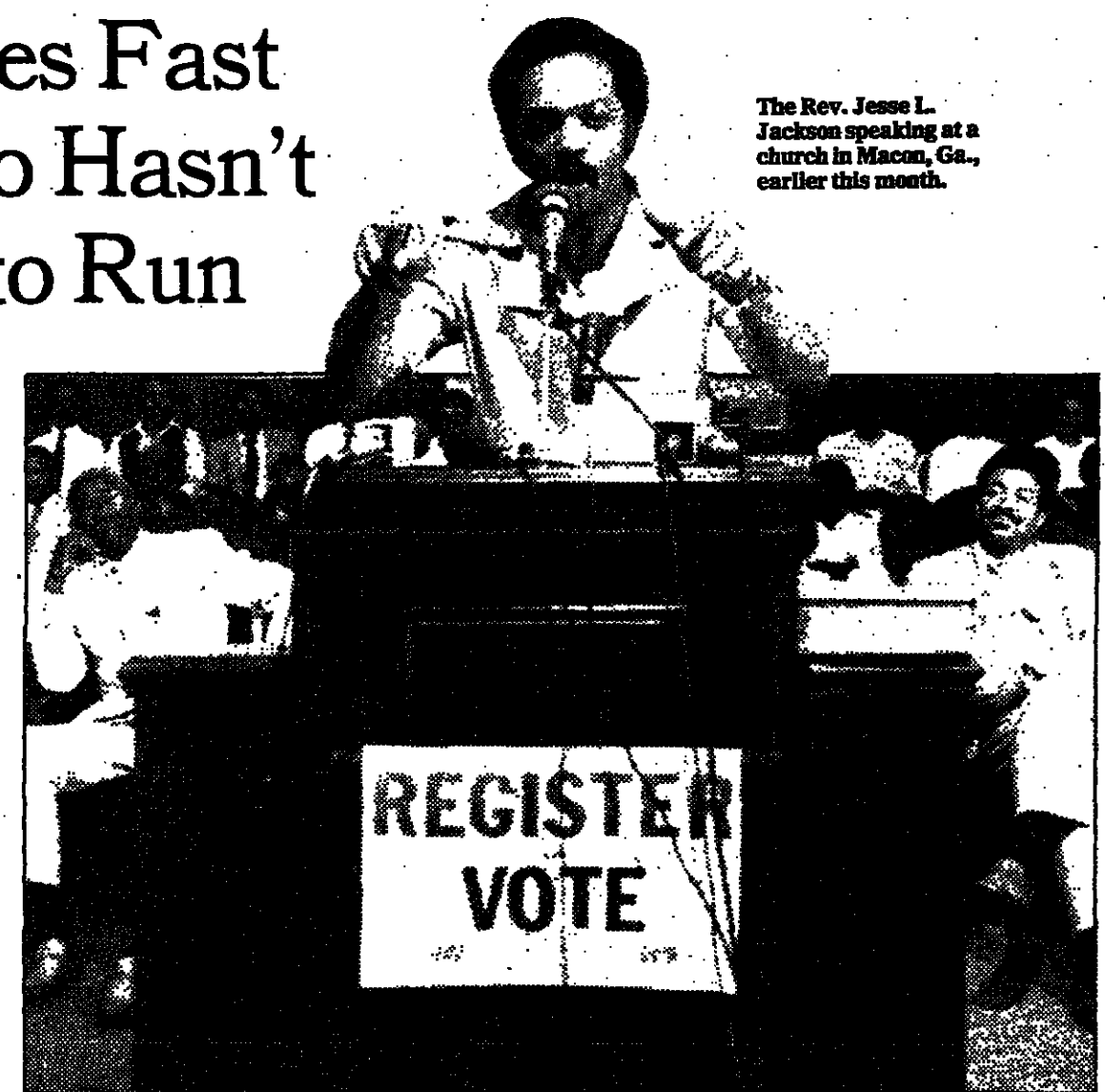
To be sure, the Chicago-based minister has not yet declared he will run. But the prospect clearly arouses excitement among some blacks and dismay among others. Since founding his own organization after a rift with the Southern Christian Leadership Conference 12 years ago, Mr. Jackson has been viewed as something of a maverick. If he chooses to seek the nomination, few observers expect him to do more than gather a protest vote and perhaps a block of convention delegates whom he could then deliver to the Democratic nominee in exchange for political favors. Yet some question what Mr. Jackson would do at that point.

"There's certainly the sentiment that Jesse Jackson's not trusted by a great many politicians," said Walter E. Fauntroy, Delegate to Congress from the District of Columbia and former chairman of the Congressional Black Caucus. "But I don't think he'd sell out concerns he's devoted his life to addressing." Nevertheless, Mr. Fauntroy, originally a supporter of the idea, said he was developing mixed emotions about whether any black candidate should seek the Presidency next year because such a candidate could be exploited by conservatives.

But at the PUSH convention last week, Walter F. Mondale and Senators Alan Cranston of California and Ernest Hollings of South Carolina commented favorably on the possibility of a national black candidacy. Mr. Hollings went so far as to urge Mr. Jackson to run.

The "black leadership family," a loosely knit group of civil rights and political leaders to which Mr. Fauntroy belongs, last month approved the concept of a black candidate's seeking the Presidency. The group refrained from endorsing a candidate, and so opened a door for Mr. Jackson but did not usher him through it.

Among the most outspoken opponents of a black candidacy is Benjamin L. Hooks, the executive director of the National Association for the Advancement of Colored People. "If the overwhelming number of black voters are voting for a black, we've lost our voice in selecting the white candi-



The Rev. Jesse L. Jackson speaking at a church in Macon, Ga., earlier this month.

Black Star/Billy Griffin

date, who will be the Democratic candidate," he said. "The white candidates will have no reason to gear their positions to blacks." Then too, some blacks have already made other commitments. Detroit Mayor Coleman Young has endorsed former Vice President Mondale, for example.

Yet not all write off Mr. Jackson's chances of winning the Democratic nomination. "Jesse's a very shrewd man," said Shirley Chisholm, who sought the Presidency in 1972. "If he can put together a coalition and run delegates that will include women, Hispanics, blacks, and white liberals, there's no telling what he can do." Others point out that even in losing, Mr. Jackson could inspire more blacks to register and to vote. Martin Kilson, professor of political science at Harvard University, said Mr. Jackson could galvanize blacks to fight back against "the attack from the right on civil rights." Jackson voters in a primary could be mobilized to vote for a white Democratic candidate in the fall election, he suggested.

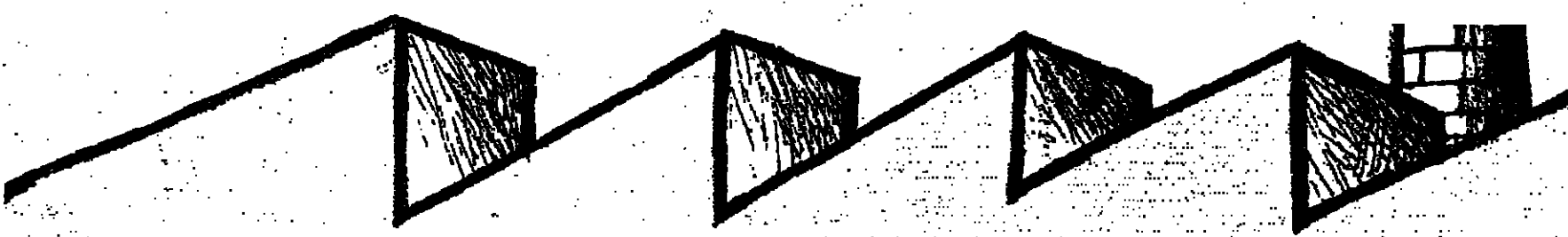
Atlanta Mayor Andrew Young, who opposes a black candidacy for next year, has also cited a need for increased black political participation and said Mr. Jackson might stimulate it. For months Mr. Jackson has been engaged in a drive to register black voters with just such thoughts in mind. He insists that if he runs, it will be to win. But there are some important needs to be met. He has raised no money as yet and put together no

campaign organization. He believes a committee established by "the family" last month to select a black Presidential candidate ought to become a campaign committee for the candidate. Richard G. Hatcher, the Mayor of Gary, Ind., and chairman of that committee, strongly hinted last week that he might support a bid by Mr. Jackson.

There are other practical aspects to be considered. If he declared, Mr. Jackson and his programs would be subject to much closer examination than he has faced before. Many a politician has found that such scrutiny can turn up things that, while of little consequence in other contexts, may prove embarrassing in a Presidential race. Mr. Jackson may have gotten a foretaste of it last month, when Federal auditors raised questions about the handling of \$700,000 in Federal funds by the PUSH for Excellence program for motivating school children. Mr. Jackson said the money was spent properly and the matter would be resolved through negotiation.

Mr. Jackson said last week that he would announce in late August whether he would run. Whatever their arguments for or against his candidacy, some black leaders believe the Jackson for President idea has already taken on unstoppable force. The cries of "run, Jesse, run" rang out with unmistakable pride in Atlanta. After all, running for President expresses his famous chant — "I am somebody" — like nothing else in America.

French Socialism Stubs Its Toe



Trouble in the Nationalized Sector

Profits and losses in millions of dollars

COMPANY	INDUSTRY	1981	1982
Usinor/Sacilor	Steel	\$-681.0	\$-637.3
Péchiney Ugine	Aluminum	-318.7	-382.4
Kuhlman			
Thomson Group	Electronics	-21.4	-280.4
Cil Honeywell Bull	Data Processing	-57.2	-165.7
Rhône-Poulenc	Chemicals	-73.0	-40.5
Compagnie du Gaz et	Utility	-1.9	-35.7
Telefonique			
Matra	Defense Electronics	20.0	19.6
Compagnie Générale	Electrical Equipment	30.3	31.6
d'Electricité			
Saint-Gobain	Building Materials	57.4	31.9
Dassault	Defense	37.6	40.9

Government Aid to Industry

For 1983, in millions of dollars

Newly Nationalized Companies	Other State-Owned Companies
Usinor/Sacilor	\$815.8
Péchiney Ugine	305.9
Kuhlman	
Rhône Poulenc	229.4
Thomson	204.0
Cil Honeywell Bull	191.2
Compagnie Générale	110.9
d'Electricité	
Saint-Gobain	95.6
Renault	210.3
Cdf Chemie	127.5
Snecma	38.2
Entreprise Minière	31.9
et Chimique	
Others	210.3
Total	2,549.4

Nationalization has been costly. Some capitalist plums turned out to be lemons.

By PAUL LEWIS

PARIS **N**EARLY two years after President François Mitterrand set about to nationalize the country's leading industrial corporations and most of its banks, his hopes of creating what he once described as "the industrial equivalent of our force de frappe" is drowning in a sea of red ink. France's embarrassed Socialists are finding that the mighty bastions of French capitalism they pledged to harness for the service of the state, look suspiciously like a row of corporate lemons.

In 1981, the combined losses of the newly nationalized companies totaled about \$900 million. Last year, losses rose to \$1.4 billion and they promise to go still higher this year.

At least in part, the problems of the nationalized companies can be attributed to the crippled French economy, which is limping along today with 9 percent unemployment, declining exports and industrial production, and a devastated franc. But the root cause of the current losses began long before the Socialists came to power in 1981. Many say the right-wing Governments of the 1970's are actually responsible for undermining France's industrial giants.

For the Mitterrand Government, the weak condition of the nationalized companies has come as a severe shock. Says one high French official: "Right up until the election, the party committees were seriously discussing how to spend these companies' hidden profits, not realizing they were actually hidden losses."

Remedying the problem promises to be slow and difficult, especially since the nationalized sector now accounts for one-quarter of France's industrial output and the French Government has just begun a two-year austerity program of higher taxes and lower public spending.

Moreover, while the last big wave of

French nationalizations involved companies that were mainly monopolies or heavily dependent on Government work, the recent wave affected those rooted in the private, competitive sector — which could complicate further achieving a turnaround. "An important part of the state sector is now in competition with private French or foreign firms," said Laurent Vassille of Insee, a French economic research institute.

The Socialists contend that their nationalization drive was merely the latest chapter of an old French tradition. Ever since the late 17th century when Louis XIV set up a state glass works because he didn't want to depend on Venice for the mirrors and windows in his new palace at Versailles, French Governments have always tightly controlled their businessmen and bankers.

In 1981, the Socialists pointed to the success of Renault, the auto maker, or Aérospatiale, the arms and aerospace company, which had been nationalized after World War II, and they promised to build up the newly nationalized corporations into world leaders through huge state-financed investment programs. "There are no outmoded technologies in France, only outmoded technologies," was a favorite saying of Jean-Pierre Chevènement, the first Industry Minister in the Mitterrand Government.

But today, the proud boasts are muted. Many of the companies are effectively bankrupt and the French Government is pumping huge amounts of public money into them at a time when it can least afford it.

France's great experiment in nationalization reached out for such giant industrial holding companies as Compagnie Générale d'Electricité, an \$8.4 billion maker of trains, power stations, electronic components and telephone exchanges; Saint-Gobain, the \$6 billion glass, insulation and fiber company; and the \$6.6 billion Thomson Group, an electronics manufacturer.

In all, 11 industrial companies and several dozen banks were completely taken over by legislative fiat in December 1981. Shareholders received more than \$10 billion in interest-bearing Government bonds as compensation.

The French accepted nationalization with hardly a shrug, though there were shareholder protests over compensation at the time. There were also fears of a huge flight of capital from the country as well as an exodus of top businessmen, but little actually took place.

Nevertheless, the Mitterrand Government still comes under fire for its program. Jacques Chirac, leader of the neo-Gaullist Party, has promised to undo nationalization if he becomes the next French President in the 1988 elections. Former President Valéry Giscard d'Estaing has yet to take a side, possibly because his Government and that of his predecessor, Georges Pompidou, are blamed with crippling the industrial giants.

Through the 1970's, the Gaullist Governments did little to cushion the effects of the 1973 and 1979 oil shocks, except for encouraging a flood of borrowing. The borrowing soon pushed interest expenses skyward, drying up sources of new investment, eventually drying up profits. Moreover, the Governments acquiesced to union demands to easily let wages and social benefits rise far faster than those in West Germany, the United States and Japan. When the Socialists came into power, they merely continued the process by pushing wages even higher, reducing working hours and effectively banning layoffs.

As an illustration of how little the Socialists knew of the companies they were to nationalize, France's new Industry Minister, Laurent Fabius, speaks of the Socialists' "deception" when they discovered their true financial state. And critics accuse the Socialists of nationalizing too swiftly, putting politics ahead of common sense. They won the election in June and nationalized six months later. "If they hadn't been in such a hurry to prove their Socialism by rushing through the nationalization bill, they could have saved a lot of compensation," said one Paris stockbroker. "Some of those companies aren't worth a franc."

Now the Mitterrand Government is struggling to turn the companies around by throwing public money at them. This year, the state will provide \$2.5 billion in new capital to its flock of nationalized companies that compete in the private sector. More than \$1.5 billion will come from the Government budget, with the remainder made up of forced loans from nationalized banks, new share issues by subsidiaries that are still publicly traded, and the sale of special nonvoting stock in the companies to the public. Another \$1.8 billion of new capital is expected in 1984.

The Socialists' high hopes have also been dented by a dispute over who should control the nationalized companies — the Industry Ministry or the company presidents. Last spring, President Mitterrand dismissed Mr.



Chevènement as Industry Minister

after the newly appointed presidents of the nationalized industries complained about his continual interference.

Mr. Chevènement had planned a grandiose reorganization of the companies. Little concrete came of the schemes, however, and today under Laurent Fabius, the new Industry

Ministry, the emphasis is on sound management and independence for the company presidents. "We are not playing Meccano," Mr. Fabius says, referring to a popular children's mechanical construction game.

The presidents of the nationalized companies like to say they remain almost as free as any big company president can hope to be in France, where the Government has traditionally exercised great influence over business affairs. They point out that during the 60's and 70's, France's right-wing Governments regularly interfered with industry to safeguard employment and encourage new technologies. "Nationalization has not made a great change for me," said Roger Fauroux, the president of Saint-Gobain and the only company president the Socialists retained after nationalization. "Any big French company works closely with the state," he added.

Jean-Pierre Brunet, a former French Ambassador to Tokyo and Bonn who now heads Compagnie Générale d'Electricité (C.G.E.), concurs. "The state has always been powerful in France," he says. "When you've got a big decision to take it's hard to make it without consulting."

Yet having the state as controlling shareholder has required the company heads to tread a little more carefully in their dealings with the state. In June, Albin Chalendron, head of the state-controlled oil company, Elf Aquitaine, said that the Socialists' plan to restructure France's ailing petrochemical industry would be too costly for his company. He was promptly dismissed.

Earlier this year, all the newly nationalized industries signed five-year planning agreements with the Government, setting themselves broad industrial goals. But the Government refused their request for a similar five-year commitment on financial support in return. Although the agree-

ments were not published, the broad outlines of several are known.

Mr. Brunet, for example, says C.G.E. is planning to double its export earnings in real terms and raise research and development spending by 45 percent. "It was an act of faith in the future," he says, "but we've got to expand if we are going to survive." By 1987, the electronics and construction giant aims to capture at least 5 percent of the world market in each of its product lines and wants 45 percent of group revenues to come from French operations, 35 percent from exports and 20 percent from foreign manufacturing.

The newly nationalized companies also promised to keep employment levels stable, both in their own groups and if possible among suppliers. Today some presidents see this as their worst headache. "It's probably my biggest problem, with demand weak and new investment raising productivity," Mr. Brunet concedes.

While the Socialists lavish money and attention on the nationalized companies, they are treating the nationalized banks as little more than convenient cash-cows to be milked for the benefit of their industrial plans. In addition, the newly appointed bank chiefs also say they are under growing political pressure to continue lending to other privately owned companies that are in trouble in order to preserve employment.

The president of one newly nationalized bank told how he finally agreed on a Friday morning earlier this year with Finance Ministry officials to cut off credit to a company in eastern France and force it into bankruptcy. But on Saturday, Finance Minister Jacques Delors called him personally into the Ministry, pointed to a pile of angry telegrams from local mayors and party officials, and ordered the credit lines restored. "Soon there won't be any professional bankers in France, just civil servants," he says.

Prospects

High-Tech Fallout

Last week's clobbering of high-technology stocks and the recent lowering of credit ratings of consumer electronics makers raise intriguing questions about high-tech's future. Will investors be put off? Can down-rated producers sustain profits in the face of rapidly changing technology and eroding prices? Is there just too much product around?

Eugene G. Glazer, an analyst at Dean Witter Reynolds, is bullish about it all. But he concedes that the "absolutely superb performance" of the high-technology stocks over the last year "created a boiling up of new issues, especially of smaller companies. There was too much investment in not-so-good issues because lots of money was around. Now there's a feeling of a bubble, of excess valuation of high-tech securities."

Still, he is convinced that high-tech companies will settle down and improve their stock values. He predicts "quite dramatic" growth in demand for personal computers, marked by a race for dominance stimulated by the imminent introduction of International Business Machines' "Peanut." He predicts that the sales slump of videotape recorders and audio products will correct itself.

Mid-sized Winners

"In Search of Excellence," by Thomas J. Peters and Robert H. Waterman Jr., is No. 1 on most best-seller lists, with some 500,000 copies in print. But another smash business book may be lurking at McKinsey & Company, where the authors did their seminal research. "The Winning Performance of Mid-sized Growth Companies," a McKinsey study released last May with little fanfare, contains some intriguing data. The two-year

survey of 13,000 companies with annual sales of \$25 million to \$1 billion found that while they represent less than 1 percent of American companies, they account for a quarter of all sales and almost a fifth of all assets and private-sector jobs.

Donald J. Clifford Jr., a McKinsey director who conducted the study for the American Business Conference with Richard Cavanagh, a principal at McKinsey, says that these "threshold" concerns benefit from efforts by the founder or his successor to pass on their entrepreneurial drive, marketing skills, product development and corporate culture. "Big companies are viable only because they have been able to sustain that capability over a longer time," Mr. Clifford says.

Is there a "mid-sized" book in the works? "There's been some discussion of it," he says.

Investing in the Hot Spots

Investors and companies interested in Central America and the Caribbean area are in a quandary over the political and military flare-up there. But outside of the two hot spots, Nicaragua and El Salvador, the investment possibilities over the medium and long term are not risky, claims Business International, a New York consulting and market research company. "Certainly, short term, there are risks," says Norman Wellen, Business International's president. "But there has been a minimum spillover from the problems in Nicaragua and El Salvador. Foreign-owned companies operating there are carrying on normal business and considering new investments in the total area while shying away from the two troubled countries until the situation settles down."

Isadore Barmash

WEEK IN BUSINESS

For Municipals, The Biggest Default

Default finally came at the Washington Public Power Supply System, and bondholders of some \$2.25 billion now have little hope of ever getting their money back. It was the biggest municipal default in history — one expected since the State Supreme Court earlier in the month upheld a lower court ruling that 88 utilities were not obligated to meet payments on the bonds. "The money just isn't in the till," said a power system spokesman, after the system had informed Chemical Bank that it could not pay its debts on partially completed nuclear plants Nos. 4 and 5. The default should make it much more difficult for other municipalities in the Pacific Northwest to borrow money. Now brokerage firms and the supply system itself are bracing for a possible avalanche of lawsuits from debt holders.

Paul Volcker warned that public and private sector borrowing demands are beginning to clash, the Fed reported a \$1.3 billion rise in the money supply and the stock and credit markets plummeted. The market ended a poor week by falling 17 points Friday, closing at 1,199.72, off more than 30 points. In the credit markets, anticipation of the huge upcoming Treasury financing pushed prices lower and rates higher, as dealers looked for levels that would attract investors.

Drysdale Indictments. Two officers



WPPSS plant No. 5.

of the defunct Drysdale Government Securities Corporation and a former senior partner at Arthur Andersen & Company were indicted on criminal charges by a New York grand jury. Joseph V. Ossorio, Drysdale's chairman, and David J. Hewitson, its chief trader, were accused of stealing more than \$270 million from the Chase Manhattan Bank and \$20 million from Manufacturers Hanover. Warren Essner, the accountant, was charged

with issuing false financial statements, which failed to show the firm was "insolvent the day it opened for business." In February 1982, according to Robert Morgenthau, Manhattan District Attorney.

Washington Wrapup. The Government will sell the 14.4 million Chrysler warrants it owns to the public and not give them back to the auto maker, as Lee Iacocca had asked. The sale will bring in some \$200 million. The House and Senate passed a bill that would kill the withholding tax on interest and dividends. President Reagan is expected to sign it. The Soviet Union agreed to buy at least nine million metric tons a year of American wheat for the next five years. The new grain agreement is 50 percent larger than the one that expired in 1981. On the news, grain prices rose sharply. The Government's index of leading indicators rose 1 percent in June, its 11th increase in the last 12 months.

Steel Band. United States Steel reported a \$112 million quarterly loss. At the same time the company said it had pretax profits of \$167 million, which were consumed by taxes, interest payments and other expenses. Bethlehem Steel had grimmer news, a \$92.7 million loss and no good pretax results. If U.S. Steel can import steel from Britain, Wheeling-Pittsburgh says it can import steel from Brazil. The No. 8 steelmaker is negotiating a

\$40 million deal with Brazil's state-owned steel company.

The Return of Detroit. New car sales by the Big Three rose 38 percent in mid-July, and General Motors and Ford Motor reported huge profits, continuing the trend set by Chrysler the week before. G.M.'s second-quarter surplus totaled \$1.02 billion, almost double the year-earlier period, and Ford's earnings were \$542.2 million, more than double its 1982 quarter. The weak No. 4, American Motors, reported a loss of \$79 million in the second quarter.

Problems are brewing for Ford, however. The National Traffic Safety Highway Administration urged Ford to recall hundreds of thousands of Escorts, Lynxes, EXP's and LN7's because of fire hazards and brake fluid leakage.

Telephone rates will rise, as a result of a Federal Communications Commission decision to permit local telephone companies to add \$2 a month to the bills of residential customers next year for access to long-distance lines. The move will begin the process of dismantling the 50-year-old subsidy that long-distance service has provided for local service. Businesses will be charged up to \$6 a month extra starting next year.

Nathaniel C. Nash

The New York Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED JULY 29, 1983

Company	Sales	Last	Net Chng
Pan Am	8,128,900	8	+ 1/4
ATT	5,557,500	61	- 1/2
Exxon	4,834,800	35	- 1/2
Delta	4,336,200	31	+ 1/4
Merly's	4,303,500	45	- 3/4
IBM	4,268,000	120	- 4
Chrysler	4,203,700	28	- 2
GM	4,150,600	73	- 1
Avon	3,959,900	28	- 3/4
Philly's	3,812,800	30	- 1
Ford	3,412,000	60	+ 1
Pard's	3,341,200	15	- 6
Sears	3,247,000	42	- 1/2
GenEl's	3,220,700	49	- 3
Mobil	3,148,500	29	- 1

Standard & Poor's

400 Indust	193.7	181.1	183.3	-7.05
20 Transp	30.8	28.6	29.0	-1.35
40 Util	66.7	64.4	64.9	-1.35
40 Financial	20.0	18.3	18.5	-1.15
500 Stocks	171.8	160.8	162.5	-6.33

Dow Jones

30 Indust	1,256	1,193	1,195	-31.95
20 Transp	592.3	545.4	550.7	-25.25
15 Util	133.1	129.5	129.7	-1.75
65 Comb	501.8	473.6	476.0	-15.40

The American Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED JULY 29, 1983

Company	Sales	Last	Net Chng
WangB	3,114,300	34	- 4
ImpCh	2,800,000	8	+ 1/4
ReerA	781,800	48	- 1
ChmpH	759,300	5	- 1/4
DomeP	702,100	4/16	-3/16
TIE	678,400	34	- 4
Amdhl	669,200	22	- 3
Cyprus	624,200	3	- 1/2
InstSy	577,100	4	- 1
Dor Gas	558,800	16	+ 1

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
580	1,426	2,189	258	22
Prev. Week	1,313	885	205	27

VOLUME

Company	Last Week	Prev. Week
Total Sales	437,967,440	12,685,319,535
Same Per. 1982	232,289,440	7,829,546,173

WEEK'S MARKET AVERAGES

High	Low	Last	Net Chng
115.6	109.6	110.1	-4.17
96.18	89.82	90.25	-4.09
47.01	46.07	46.15	-0.90
101.9	95.35	95.78	-4.98
98.78	93.74	94.27	-3.47

New York Stock Exchange

Indust	Transp	Util	Finance	Composite
115.6	96.18	47.01	101.9	98.78
109.6	89.82	46.07	95.35	93.74
110.1	90.25	46.15	95.78	94.27
-4.17	-4.09	-0.90	-4.98	-3.47

VOLUME

Company	Last Week	Prev. Week
Total Sales	40,041,930	1,358,658,499
Same Per. 1982	16,313,705	600,217,385

The New York Times

Founded in 1851

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The Muddy Aims of a Bad War

So great are the powers of a pertinacious President that Mr. Reagan may yet wangle from Congress the legal fig leaf he needs to continue his not-so-secret war against Nicaragua. Distaste for this adventure is as much visceral as reasoned. It deeply affronts the American sense of fair play for a tiny country to promote the lawless subversion of a tiny neighbor.

Still, even those who oppose the covert war don't take issue with its avowed original aim: to keep the Nicaragua revolution at home. It was dissent over the means that impelled the House to vote, 228-195, to call off the C.I.A. war.

But that verdict deserves to prevail also because of the evidence that Mr. Reagan's aims are much broader than first advertised — making his ends as excessive as his means.

The President insists that all he asks of Central Americans is a decent respect for sovereign frontiers and a regional commitment to democracy and human rights. The first purpose is surely legitimate. And the second is desirable. But Mr. Reagan's recent words leave the clear impression that the desirable is essential, that he won't call off the war until Nicaraguan society is a North American democracy.

Managua's Marxists must not only refrain from exporting revolutionary arms to El Salvador but, he says, keep their democratic promises. After all, they made a "contract" with the Organization of American States before seizing power pledging to promote freedom of the press and the other freedoms "that we enjoy here in this country."

Mr. Reagan sounded the same theme, even more sweepingly, in his letter to the Contadora mediators — Mexico, Venezuela, Panama and Colombia. His first requirement for negotiations was "that democratic institutions be established and strengthened as a means to resolve political differences within the Central American states."

This is a most tardy devotion to democracy in Central America. It is also strange coming from an Administration that readily makes its peace with congenial right-wing dictators in this hemisphere and elsewhere. As a demand to be pressed by a

naval armada and C.I.A. saboteurs, it is at best condescending, at worst arrogant. It collides with a long and troubled history that Americans impatiently ignore, true to our colleague James Reston's observation that we will do anything for Latin America but read about it.

No one has better summarized Latin America's colonial legacy than Simon Bolívar, the Liberator, born two centuries ago: "We find that America was denied not only its freedom but even an active and effective tyranny. We have been harassed by a conduct that has not only deprived us of our rights but has kept us in a sort of permanent infancy with regard to public affairs."

When independence came, the new Latin republics looked north for constitutional forms, but it was Jean-Jacques Rousseau and the French Revolution that supplied their headier doctrines of unlimited majority rule. Bolívar lived to see turbulence and despotism infect the nations he helped found, prompting this lament: "There is no good faith in America, nor among the nations of America. Treaties are scraps of paper; constitutions, printed matter; elections, battles; freedom, anarchy; and life, a torment."

Yet as if this past were irrelevant, Mr. Reagan invokes the sanctity of contract and asks revolutionaries still in fatigues to conduct themselves like proper Republicans and Democrats.

He ignores as well America's responsibility for the despotism against which Nicaragua finally rebelled. Only belatedly did the United States assist and try to guide that rebellion. It still has every right to denounce the Sandinista denials of political rights, and to make genuine pluralism a condition of further economic aid.

But the history of United States dealings with the Caribbean nations, and all hope for a better future, require an end to this unilateral and lawless war for "behavior modification." It would be damaging even if successful, and only impeaches the President's interest in demanding respect for international frontiers.

Attainable ends need to march with worthy means before this can be called a noble cause.

Requiem for a Grain Embargo

"If we are going to feed the Russian Army," asked Senator Moynihan, "what right have we to complain about the way . . . the Soviet Union causes trouble anywhere in the world?"

Such exasperation is understandable. The Administration's policy now combines the confrontation of cold war with the economics of détente — and the politics of the farm belt. But on balance, the decision to increase exports of corn and wheat is a welcome sign of American realism. The withholding of grains damaged the American economy while doing nothing to change Soviet behavior.

Though welcomed initially, the unregulated Soviet purchases of American wheat in 1972-74 sent prices soaring. The first formal grain deal with Moscow, in 1975, was designed to stabilize the food trade. By fixing minimum and maximum sales for several years at a time, it was thought, farmers could earn export cash without exacerbating food inflation.

But what began as a symbol of détente ended as a cold war misfire. President Carter, unable to punish the Soviet invasion of Afghanistan by other means, embargoed all but the minimum sales required by the agreement. The timing could not have been worse.

Good harvests elsewhere allowed the Russians to replace embargoed Kansas wheat with grain from Canada, Argentina and Western Europe. And with world production greater than consumption, America was obliged to store an increasing proportion of its crop. Today, one-half the world's surplus

bulges from American grain elevators, courtesy of Washington's farm subsidy program.

President Reagan, torn between a desire to be tough with the Russians and his own interests, lifted the embargo in 1981. Negotiations for a new long-term grain agreement were suspended months later, when Poland declared martial law. In May, with no great accomplishment in Poland, Mr. Reagan finally yielded to domestic interest and offered the Russians a new pact.

The five-year deal obligates the Russians to buy nine million tons of grain a year, three million more than the old pact's minimum. It also invites Soviet importers to substitute another crop in chronic surplus, soybeans, for wheat or corn.

This page at first favored the embargo. But hindsight shows that it could not alter Soviet foreign policy. Once committed to the invasion of Afghanistan and the suppression of revolt in Poland, the Kremlin was not going to back down lightly. That grain was elsewhere in plentiful supply made the embargo a mere annoyance. When America's allies and Argentina declined to join, what might have been a self-sacrificing gesture of protest became only a symbol of Western disunity.

The answer to Mr. Moynihan is obvious. Measures that significantly weaken America are hardly weapons against the Red Army. This episode does not prove that all sanctions are always wrong. But in modern history, they have usually been ineffective. When the impulse to impose them strikes, it needs to be examined with great skepticism lest the shot that is fired hit us once again squarely in the foot.

Topics

High Tension / High Tech

The Case for Stress

Back in the 50's, a businessman's ulcers were *de rigueur*. They signified commitment to high risk and hard labor. By the 60's, however, the ulcer was no longer an honorable wound in the battle for success; now any sacrifice to stress was a shameful surrender to the wrong values.

The overachiever and workaholic — new terms — were denounced for having bought a bill of goods from a materialistic society, trading precious health for mere power and money. Stress became a moral issue, and it was no longer fashionable to boast about stress ailments.

Now science seems to be nudging the pendulum back the other way. Researchers are beginning to say that stress may actually be a form of addiction, rather than a reflection of perverse values. And the addiction, with its regular releases of adrenalin into the bloodstream, may even be medically helpful for some people. No one

yet recommends stress as a boon to health, but the findings are somehow comforting. Without any stress, life is boring. And trying to avoid stress is itself stressful.

The ultimate lesson may be even more dramatic, if it turns out that social values, propelled by economic necessity, are dictating scientific discovery. It's a distressful thought.

Sailing Upscale

Anyone can see that an airplane built in 1983 is much more sophisticated than the DC-3 of World War II days. Only sailors — and racing sailors at that — see how big a gap separates the design of the J-boats that raced for the America's Cup in the 20's and 30's from those that shape the fleet competing off Newport this summer.

In this classy kind of sailing, the computer is more vital than the anchor. The cut of the sails, the shape of

the hulls, the materials from which hulls and fittings have been fabricated are all the product of painstaking scientific inquiry. Owners of one Australian challenger are so protective of the secret of its avant-garde keel that they hide it in canvas whenever the yacht is out of the water.

Some things never change, of course, and it may not be the metallurgy of the mast, or the airfoil of the mainsail, or the tank-tested lines of the hull that will determine the winner. Yacht races still are lost because a crewman falls overboard, or disputed, as in 1934, because one skipper hoisted a protest flag too late in the race committee's interpretation of the rules.

In deciding the order of finish, no amount of technology can displace the surefootedness of a crewman, a helmsman's nose for a change in the wind or a good seagoing lawyer who can recite the rules of racing and the deed of gift that governs the competition. That, at least, is reassuring.

Letters

The 'Machismo Game' in Central America

To the Editor:

Despite the diligent attempts by Carlos Fuentes, Norman Podhoretz and your own eloquent editorial writers to analyze the conflict in Central America (July 24), at least one constant reader remains perplexed about the specific nature of the complaint, the cross-complaint and the counterclaims.

Apparently, the underlying complaint has to do with rival economic theories. Forgive me for speaking out of turn, since I am not an economist, but it seems to me that all economic systems are inherently exploitive.

Capitalists fear Marxist expropriation and regimentation; Marxists fear capitalist refusal to share wealth, and money manipulation of politics and society. In response to this conundrum, innovators from Hyde Park to Budapest have synthesized varying approaches by fostering "mixed economies."

However, as we have all seen, many people in government seem to confuse conciliation with passivity, hence the tendency to avoid or postpone resolutions. This machismo game entails escalation. Economics, we are told, is a function of politics. The attempt by socialist countries to influence events among emerging nations is categorically bad, but the attempt by capitalist countries to do the same thing is good.

The xenophobic component of such politics is so repulsively plain that we must, perforce, insist that influence is a code word for military dominance. Military commitment nicely shifts the ground of the debate, so that by definition the negotiator can no longer also claim to be the patriot. Instead of capitalists and socialists working side by side, many of both wind up dead, and all because of this obstinate refusal to acknowledge how much of "us" is "them," and vice versa.

In the world's most graceful and

simplest language, there is an old saying: *Cual quiera que el tejado tenga de vidrio, no debe tirar piedras al del vecino*. For glass houses, read vacuous political postures; but for stones, read bullets and bombs.

HARVARD HOLLENBERG
New York, July 24, 1983

An Unwitting Villain

To the Editor:

Soviet Communism has consistently proclaimed itself the remedy for capitalist imperialism. In the recent actions of the Reagan Administration there exists a danger that we may, perhaps unwittingly, let ourselves be perceived as fitting the villainous role.

By aligning ourselves with authoritarian forces in El Salvador and elsewhere because they oppose the Communist trend, we may encourage the revolution that we mean to discourage. Through our announced policy is, of course, to foster democratic governments, our behavior, supposedly justified by necessity, tends to belie our statements.

Since the creation of a fascist-type dictatorship can be accomplished fairly rapidly if the necessary military means are present, while democracy requires a much slower process of economic and political evolution, we may be placing ourselves on the horns of a dilemma: To oppose the left we willingly espouse the right. Though neither extreme is what the majority of American citizens want, the conduct of the Administration seems to some to represent just such a choice.

The resolution of the dilemma is, of course, another matter. To build up democracy in Central America by economic, social and educational means is a policy that we should have vigorously adopted many years ago. Having failed in the past, we need all the more to do so now, no matter how late it is or how idealistic and impractical such steps may seem.

Merely to join forces with the reactionary elements just because they are the enemy of Communism could, in the end, amount to a choice of the Devil in preference to Beelzebub. To accept such a choice as inevitable and sufficient could assure eventual permanent victory of violence and oppression.

In its current deliberations, the Congress should not belittle and perhaps foreclose the ultimate result. It must not sell short the issue of human rights, not in Central America, not in the Middle East, not in Africa and, in the final analysis, not in our own country.

SAUL ROSENZWEIG
St. Louis, July 23, 1983

'We Killed the Monroe Doctrine in 1898'

To the Editor:

In addition to the arguments advanced in your editorial "Forget the Maine" (July 24), there is another excellent reason to forget the Monroe Doctrine: The United States unilaterally violated it in 1898.

Every schoolboy knows that the Monroe Doctrine (authored by Secretary of State John Quincy Adams but pronounced by President Monroe in 1823) warned that the American continents "are henceforth not to be considered as subjects for future colonization by any European power."

What our policy makers and orators too often forget is that there was another part of Monroe's doctrine: "With the existing colonies or dependencies of any European power, we have not interfered and will not interfere." In short, the U.S. was offering Europe a bargain: If you do not attempt to establish new colonies in America, or recover those recently independent from Spain, the U.S. will not interfere with the American colonies you have remaining.

We did not keep our end of the bargain. The U.S. went to war in 1898 to kick the Spanish out of Cuba. The U.S.S. Maine was a pretext. And in case Europe didn't get the message, Congress overwhelmingly passed a joint resolution, several days prior to our declaration of war, which declared Cuba to be independent, demanded Spain withdraw from Cuba, empowered the President to use force to im-

plement the resolution and declared the U.S. had no intention of retaining Cuba after the Spanish were forced out.

We killed the Monroe Doctrine in 1898. It belongs on the historical shelf with Manifest Destiny and



other expressions of American adolescence, before we became a nuclear superpower.

Let our policy makers and pundits approach the vexing problem of Central America with clear heads and cool blood, taking into account America's strategic interests, moral imperatives and international treaty obligations — but no Monroe Doctrine, please.

MICHAEL DAVIS
New York, July 24, 1983

Natural Gas Shortage On the U.S. Horizon

To the Editor:

It is not apparent that we learned much from conditions leading to the natural gas shortages of the 1970's.

Our country is approaching such shortages again, and the indications of its coming are as clear as they were in the early 70's. But, as was the case then, published warnings of the potential problem are almost nonexistent. Current excess gas production capacity seems to blind us to looking even a few years ahead.

U.S. proven reserves of natural gas have declined approximately 25 percent during the last 12 years, in spite of a tremendous increase in the rate of exploration for it. Although it is true that gas reserves grew slightly during the last two years, owing to record drilling rates coupled with conservation, that trend has reversed in recent months because drilling for natural gas in the U.S. has virtually halted.

Uncertainty concerning Government decisions on natural gas prices has increased the risk in exploration, and the ephemeral gas glut obscures the need for quick action on gas policy. It is clear that U.S. proven reserves of natural gas will resume their long-term decline this year, whereas demand for natural gas is likely to rise again as the economy improves and as gas prices drop temporarily in response to the current glut.

It is difficult to imagine a clearer formula for shortage, if the Government continues to be unclear on the nature and extent of future gas price controls. Unless gas consumption rates remain depressed, and unless the current rate of drilling for gas increases significantly, a shortage of domestic natural gas before the end of the 1980's is a virtual certainty.

CRAIG BOND HATFIELD
Professor of Geology
University of Toledo
Toledo, Ohio, July 16, 1983

Names for the Top Job

To the Editor:

The 1984 Presidential campaign seems to be lumbering off the ground with all the fanfare and lack of airworthiness that once attended Howard Hughes's "Spruce Goose" flying boat. Why doesn't the great United States surprise everybody by going for the best for a change? Why are not Lee Iacocca of Chrysler, Derek Bok of Harvard or A. Bartlett Giamatti of Yale being seriously considered for the top job?

MALCOLM H. BELL
Norwalk, Conn., July 21, 1983

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or return unpublished letters.

Uruguay's Contradiction of Elliott Abrams

To the Editor:

Assistant Secretary of State Elliott Abrams's carefully crafted letter, which you published on July 19, objects to Lucy Komisar's July 2 Op-Ed article, "U.S. Duty to Uruguay." Secretary Abrams claims that the "evidence we have seen" doesn't support her assessment that the Uruguayan military wants to "political liberty while allowing . . . forms of democracy."

Yet the Uruguayan armed forces' 1983 constitutional project calls for restrictions on free speech, on unions, on political parties. It provides for military justice for civilian "subversives," an armed forces command independent of elected civilian political control and armed forces involvement in political decision-making.

The armed forces have closed down newspapers and arrested demonstrators and politicians. They have refused to end the proscription of major political leaders and even have cut down the food for political prisoners. This coer-

cion is to demonstrate that the military have the muscle to stay in power if their constitution isn't accepted.

Shortly after Secretary Abrams wrote his letter, Uruguay's civilian political leaders decided that the military's use of muscle to force acceptance of its constitution had gone so far that the politicians suspended discussion of the project with the military.

Mr. Abrams writes that the U.S. has given no signal that it would welcome the denial of political liberty as part of a hollow democracy, but the evidence of the Uruguayan military's denial of political liberty to force acceptance of its refusal to return to barracks is so clear that the U.S. should give an unequivocal signal critical of the obstinate brutality of what our Under Secretary of State for Human Rights and Humanitarian Affairs calls a "friendly government."

MILTON I. VANGER
Professor of History
Brandeis University
Waltham, Mass., July 19, 1983

When Animal Experiments Cannot Be Avoided

To the Editor:

Secretary of Defense Weinberger is to be commended for his prompt compliance with demands to stop gunshot-wound experiments on dogs (news story July 27). But would those so indignant over these experiments have been equally outraged were the bullets aimed at pigs, goats, rabbits or monkeys rather than dogs?

Scientific advancement and humaneness toward animals are compatible, and ethical guidelines have been established for the use of laboratory animals. Live animals should be used only when the data are absolutely necessary, no adequate alternatives to the use of animals exist and every effort is made to eliminate suffering.

In the Defense Department's dog-wounding experiment, serious questions existed over the need for the study and whether alternatives were available. But, ironically, the experimental model the Defense Department proposed was more humane than the designs that have been approved for many other Government-funded experiments. Animals are often not adequately anesthetized before painful experiments, and are al-

lowed to recover from painful surgery so that they can be "recycled" for additional procedures.

Senator Robert Dole recently introduced legislation (S.657) that would strengthen the Animal Welfare Act by improving laboratory conditions for research animals. This bill would require the use of the lowest number of animals possible in any Government-funded experiment, encourage the use of alternatives, avoid repeated operations on the same animal, curb the use of paralytics and provide improved oversight by requiring each research institution to include on a review committee at least one member from outside the institution who would be responsible for community animal welfare concerns.

Were the bill to become law, some of the horrible practices that now take place in American laboratories would cease. The cancellation of gunshot-wound experiments on 80 dogs was a minor victory. Much more significant for the welfare of millions of laboratory animals would be the passage of S.657.

JOHN F. KULLBERG
Executive Director, A.S.P.C.A.
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You don't have to think that the Sandinistas are doing anything right to know that the United States is doing everything wrong. But that hardly takes care of the matter. The Administration appears totally out of touch with reality. What, for example, does President Reagan mean when he calls the Sandinistas "totalitarian," their Government "Marxist-Leninist"?

Any citizen of Nicaragua, even a well-known opponent of the Government, is far safer on the streets of Managua than he is counterpoint in El Salvador, Guatemala or Honduras — three countries whose Governments enjoy Mr. Reagan's enthusiastic support. No killings or kidnappings have been reported in "totalitarian" Nicaragua.

Moreover, many Latin Americans view with skepticism the President's concern for elections in Nicaragua. The well-educated among them know that 13 years passed from the time of our own revolution to our first elections; that the 80,000 counterrevolutionaries who fled to Canada were thereafter not allowed to vote, teach or preach in the United States; and most of all they recall that the first duly elected Marxist President in Latin America, Salvador Allende Gossens of Chile, promptly became the target for destabilization under the Nixon-Kissinger foreign policy.

And how "Marxist-Leninist" is a country when four well-known Roman Catholic priests and no Communists serve in the Cabinet? When 80 percent of the land and 75 percent of industry remain in private hands? To be sure the banks in Nicaragua have been nationalized, but so too have those in Mexico, as well as the Mexican oil industry. Yet the President never refers to "Marxist-Leninist" Mexico.

Does "Marxist-Leninist" mean the Sandinistas threaten United States economic interests? As far as I can see, only the interests of United States businessmen who even today continue to expect 25 to 30 percent return on their investment in Central America. Ours, after all, is the nearest, the largest, the historic market. In two recent trips to Nicaragua I repeatedly heard farmers say that they prefer their old John Deere farm equipment to the Fiat and Soviet tractors they are forced now to drive only because the Reagan Administration is blocking the shipment of spare parts.

William Sloane Coffin, senior minister at the Riverside Church, recently visited Nicaragua.

Nicaragua Is Not An Enemy

By William Sloane Coffin

The same is true of hospital equipment and other items. In fact, such is the determination of the Reagan Administration to "make the Nicaraguan economy scream," that when a Maryknoll lay missionary asked for the number of the spare part needed to repair her I.B.M. typewriter, a part that could have been sent her or brought by visiting Americans, she was told by the Managua I.B.M. representative, "We are forbidden to give out the numbers."

Finally, does "Marxist-Leninist" mean a threat to United States security? It's hard to believe that Nicaragua threatens our safety any more than Afghanistan threatens the safety of the Soviet Union. A single American plane flying out of southern California, Texas or Florida could obliterate Nicaragua in 20 minutes and every Nicaraguan knows it.

As for the charge that the Sandinistas are exporting violence, isn't that a little like accusing France of starting the American Revolution? Anyone with common sense knows you can't have a revolt without revolting conditions, and the experts now excluded from policy making know that the revolutions brewing in El Salvador, Guatemala and Honduras share the same legitimate twin goals of the Sandinista revolution: to stop the exploitation of the many by

the few and to end foreign domination. Obsessed with Communism, the Reagan Administration sees a "Marxist-Leninist" under every Central American bush. The result is a policy without wisdom or conscience. What the Reagan Administration is doing in the name of America and with American money is a disgrace. The continued killing in El Salvador is sickening, as are the counterrevolutionaries the Administration is arming and training — these counterrevolutionaries not only kidnap and kill, they torture and mutilate. Congress has the power to end the slaughter. I hope every Congressional member will feel a moral obligation to do so.

Let's Help Our Latin Friends

By Ernest W. Lefever

WASHINGTON — President Reagan's decision to conduct naval exercises in international waters off Central America and the Pentagon's an-

nouncement that United States military personnel will take part in joint exercises in Honduras have shocked some Americans. Others see in these traditional shows of force evidence that at last we may be overcoming the paralysis of power that has gripped us since the fall of Saigon.

Some Americans are reluctant to recognize that we live in a tragic and dangerous world. The frontiers of freedom are shrinking. Over the last decade or so the Kremlin has installed regimes in Afghanistan, Vietnam, Laos, Cambodia, Ethiopia, Angola and Mozambique. Moscow continues to determine the destiny of its captive nations from the Baltic to Bulgaria. Its control always means an overwhelming denial of human rights.

Moscow subsidizes Cuba at the rate of \$6 million a day and uses it as a springboard to topple Latin American governments. Nicaragua and other surrogates also provide the weapons for terrorism and military conquest. There are 6,000 Cuban advisers in Nicaragua, at least 2,000 of them military. There are 55 United States military advisers in El Salvador.

A war is raging in Central America. One side will ultimately prevail. What should the United States do to insure that the wrong side will not win? The conflict poses a clear threat to our vital interests. Further, under the Rio Pact and the Charter of the Organization of American States, the United States has a legal and moral responsibility to uphold the security of countries in the region.

The most urgent task is to end the war in El Salvador. This can be done only by military means, not by land redistribution or elections — unless by some miracle the Marxist forces suddenly abandon their conviction that victory comes out of the barrel of a gun.

Mr. Reagan's call for increased military and economic assistance to El Salvador, Honduras and Guatemala is thus wise and necessary. Alone and unarmed these fragile Governments are no match for Soviet power and ambition. Their forces need greater discipline and training, but at this stage only modest United States aid is required. This assistance, backed by the show of strength and commitment symbolized by the planned military exercises, may provide the margin of victory.

United States military support can also lay the foundation for fruitful negotiations. Talks are not an end in themselves; diplomacy is the conduct of war by other means. The ultimate test of policy, morally and politically, is the quality of the agreement, not the process that led to it. The President seeks a peace that insures genuine self-determination, not one that merely stills the guns while external control continues.

It is often said that poverty and repression are responsible for conflict in Central America. They are factors, but they are not the cause of the violence.

Reagan is trying to make sure the wrong side does not win the war

ence. Poverty does not cause Communism; Communism, when victorious, perpetuates poverty. The President is committed to supporting a comprehensive development effort. First the violence must be ended. Peace must precede prosperity; order is a prerequisite for greater justice. Peace must be pursued by a judicious blend of military aid, covert action and other manifestations of resolve.

The accusation that President Reagan is leading us into another Vietnam has little merit. We failed to contain Communist expansion in Indochina because we did not act decisively. A more valid and encouraging precedent is the Truman Doctrine, which saved Greece and Turkey from the Soviet yoke. In 1947 these two war-weakened countries were severely threatened by Soviet subversion. Harry Truman knew that only military force could save an ally threatened by military force. He acted and prevented Moscow from extending its empire to the Mediterranean.

Now Mr. Reagan has acted with the same insight. His deployment of a carrier force and his call for increased military and economic aid merit the support of Congress and the American people. This modest but timely demonstration of will may well make it unnecessary to order a blockade or send an expeditionary force later on.

The Soviet Union is on the offensive around the world, probing for soft spots. Our determination is being severely tested in Central America. If we fail to respond with a firm and restrained use of power to achieve our humane objectives, the Communists are likely to succeed in imposing their brutal order. If the President receives the support he deserves, his initiatives in Central America will help restore our credibility as a champion of freedom and will stiffen the spines of our allies in Europe and Asia. As the leader of the free world we should do no less.

Ernest W. Lefever is president of the Ethics and Public Policy Center and co-editor with E. Stephen Hunt of "The Apocalyptic Premise, Nuclear Arms Debated."

WASHINGTON

On Creative Loafing

By James Reston

WASHINGTON, July 30 — This is the time of year to consider the advantages of creative loafing, and the Congress of the United States, by unanimous consent, is taking the month of August off to consider them.

President Reagan is in full agreement. Nothing makes him happier than the prospect of the Congress's going on a long vacation, and there's a lot to be said in favor of his doing the same.

For it's when the President is least active, leaving his problems to his Cabinet, his staff and outside commissions, that he's most effective. It's when he is most active and occasionally takes charge that even his old buddies in the Administration begin to get a little edgy.

He was doing just fine a few weeks ago. His economic policy was picking up. Even the skeptics were beginning to say that maybe the old boy had something after all. The stock market was zipping along and the Garth Poll — up 10 points in two months — was saying 58 percent of the people thought he was doing a good job.

Whereupon instead of taking "ranch time," as his wife, Nancy, is always suggesting, and getting away from the struggle like the Congress, he ordered a task force of thousands of troops, aircraft carriers and even a battleship into the Caribbean and Pacific waters of Central America.

In the process, he diverted attention from the economy, where he was getting good marks, to the military, where Newsweek was condemning his "gunboat diplomacy" and even The Wall Street Journal was complaining about his "uncertain trumpet."

He was very bad in his last television press conference because he tried to pretend that he was sending the Navy and the marines into Central America on a "routine mission." Nothing new. Just the same old thing done many times before. He seemed very nervous in his argument, and no wonder.

For he had decided on this naval and military demonstration without careful and prior consultation with the Congress or even with his own Secretary of State, or his allies, or his ambassadors in Central America. In this he took a chance, as President Carter did when he sent the rescue mission into Iran without the knowledge of Secretary of State Vance, who resigned in protest.

Maybe Secretary of State Shultz will accept this experiment in gunboat diplomacy, though it's not his style. He defended the President's policy when he went to Capitol Hill but not the hypocrisy that this was just another "routine" exercise.

President Reagan gets into trouble mainly when he forgets to be faithful to himself, and pretends that he knows better than his colleagues. For example, he was criticized recently, right and left, for tossing hot potatoes like the MX missile, Social Security and Central America to commissions of distinguished private citizens. But this was a good idea, and his natural way of doing things.

He came to Washington promising to get the government off our backs and was merely trying to get the government off his back. This was a logical extension of his political philosophy. It's a brilliant political technique and the Democrats don't quite know how to handle it. They agree he needs help in the conduct of foreign affairs but denounce him for getting it.

It's when occasionally he tries to go it alone that he stumbles. Unlike Presidents Carter, Nixon and Johnson, he usually doesn't pretend that he's running everything.

An argument could be made that Messrs. Carter, Johnson and Nixon came a cropper because they worked too hard. Mr. Johnson wouldn't listen to his Cabinet on Vietnam. Mr. Nixon intimidated his staff on Watergate. Mr. Carter memorized every memo and tried to decide every issue, cook every meal and wash every dish in the White House.

Mr. Reagan has seldom made this mistake; except when he's accused of delegating Presidential responsibility, he tends to go it alone, forgetting the advice of old conservatives of the past.

Rudyard Kipling recommended that the leaders of nations study the art of "judicious leaving alone." Chief Justice Burger has a little warning sign on his desk: "L.I.S. — let it simmer."

Pascal thought that most of the evils of life arose from "man's being unable to sit still in a room." And that old Tory, Walter Bagehot, argued a hundred years ago when he was editor of The Economist in London that "overactivity is a very great evil."

This impulse for sudden action, for "doing something," Bagehot believed, was inherited from primitive days when life was simple and quick action led to desirable results. The problem was plain: If A kills B before B kills A, then A survives.

"But the issues of life are plain no longer," Bagehot insisted, even in the last century. "To act rightly in modern society requires a great deal of previous study, a great deal of assimilated information, a great deal of sharpened imagination . . . and much lying in the sun."

He ended his sermon with a verse for August:

Old things need not be therefore true,
O brother men, nor yet the new;
Ah, still awhile the old thought retain,
And yet consider it again.

William Safire is on vacation.

Aphorisms For Diplomats

By Harlan Cleveland

MINNEAPOLIS — Each year, in each century, the management of conflict and cooperation seems to be somewhere near the center of the human experiment. Not long ago I sat down for a weekend and tried to figure out what I have learned during four decades about peacekeeping and peacemaking. The result: 13 aphorisms from experience.

• No conflict, negotiation, settlement or bargain is merely two-sided. For one week at the State Department, I counted the active sides of every issue that came across my desk. The average number of sides was 5.3 — which proves only that you can quantify any intuition if you try. If you don't get all the "sides" involved in the solution, they become part of the problem.

• A "third party" (it's really a sixth or seventh) is usually indispensable and often lacking. Conflict resolution requires some source of independent elucidation of the issues.

• Courage is directly proportional to distance from the problem. Near neighbors have too many axes to

are multilateral. In such a world, unilateral action both looks bad and works badly. The United States response in Korea in 1950 looked good and worked tolerably well because it was folded into a United Nations operation. The United States response in Vietnam in the 60's goes down in history as a unilateral failure, even though we had more foreign troops associated with us in Vietnam than in Korea.

• Voting is an inferior means of conflict management; consensus procedure usually works better. Voting takes a snapshot of a disagreement but often does not modify the behavior of the minority, who prefer their own rights to the majority's righteousness. The major breakthroughs in global cooperation (the Law of the Sea Treaty, the outer space treaties, the weather forecasting system, the triumphs in public health) have been accomplished by consensus procedure.

• Consensus is not the same as unanimous consent. Consensus means moving by "no objection" procedure: the acquiescence of those who care about the decision, protected by the apathy of those who do not.

• Process is the surrogate for substance. People will often clothe their substantive disagreements in procedural raiment: "Have you asked for a legal opinion?" "I didn't get a copy of your paper." "It's time for lunch." Robert's Rules of Order are often a bible for those who want to prevent action.

• Openness has costs as well as benefits. The central dilemma of participatory process is clear enough: "How do you get everybody in on the act and still get some action?" But everybody doesn't have to be in on everything. The world's work gets done by consortia of the concerned.

ver the centuries, managing conflict and cooperation has been central

grind. That's why, in the early 1980's, the United Nations' best peacekeeping troops in the Congo were Indian, Malaysian and Scandinavian. It is also why, in the 70's, the Organization of African Unity could not bring itself to deal with Uganda's Idi Amin.

• Force by itself is not power. Military muscle-flexing, as the Chinese would say, can merely be Big Noise on Stairs Nobody Coming Down. In international politics, for example, energy, money, trade, culture, data flows and democratic values are all relevant forms of power.

• Creep up carefully on the use of force. Violence is easy to escalate, hard to de-escalate. It should never be used just to provide a release for the user's frustration. (A veteran Japanese diplomat once gave me some good advice: "Never get angry except on purpose.")

• Widen the community of the concerned. Problems and their solutions

Harlan Cleveland, director of the University of Minnesota's Hubert H. Humphrey Institute of Public Affairs, has been an Assistant Secretary of State, Ambassador to NATO and president of the University of Hawaii.

We're Old, Not Senile, Ronald

By Margaret E. Kuhn

PHILADELPHIA — There is a theory of health-cost containment in vogue in Washington and among certain members of the medical establishment that suggests that good old supply-and-demand principles can reduce not only what it costs to treat the elderly and the poor but also the whole cost to our society of health care.

The theory goes like this: If sick elderly and poor people are forced to pay a larger share of the costs of treatment, they will shop around for less expensive care and the marketplace of health providers will be so fearful of finding new and less costly ways to attract "buyers."

This theory is worse than just utter nonsense — it is an insult to the intelligence of Americans and a cruel attempt to shift the burdens of runaway health costs onto the shoulders of our most vulnerable citizens: the old and the poor.

This punitive approach is one of many put forth in the urgent attempt to finance Medicare and Medicaid into the next century. In addition to cuts in both programs by the Reagan Administration, the latest proposal would require the elderly sick — regardless of means — to pick up part of the cost of the first 60 days of hospitalization. This may sound reasonable for those with adequate incomes, but it does not make sense for a person on Social Security with only \$284.30 a month to live on when the average cost of a day in the hospital is \$245.

Can anyone seriously believe that an elderly person who falls sick will be able to shop around for less costly health care? Where? Another community hospital? Another family doctor? Does the President really think that elderly sick people can do what others have failed to do — confront the obscenely high costs of medical care in this country?

The current plan does one thing and only one thing: It allows the Government to run out on its commitment to the health of older citizens — and it does nothing whatsoever to contain the greed of the health care industry. In effect, it says to the elderly that our Government is too cowardly and ineffectual to deal with this hot issue, so

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Jerome Kram

Arts & Leisure

Many Cultures Speak Through Latin Music

By ALLAN KOZINN

These days, it's convenient to think of the Western musical tradition as the joint property of the United States and a handful of European countries. But of course, the world is far broader than that, and local varieties of "serious" music — works based on European models, tempered with indigenous folk songs, instruments or sensibilities — are to be found everywhere. Latin America, with its many diverse musical cultures, is a case in point, and it can be both enlightening and refreshing to take an occasional look at the variety of music produced in this vast region.

Mexico's composers — or, at least, those who flourished around the middle of this century — are fairly well known here, and they have produced several works that are classics in their genre. For instance, recent releases devoted to Mexican music include no fewer than three new recordings each of Carlos Chávez's "Sinfonia India," José Pablo Moncayo's "Huapango" and Silvestre Revueltas's "Sensemayá." There are also two new recordings of Revueltas's "Homage to Federico García Lorca."

Carlos Chávez composed the "Sinfonia India," the second of his seven symphonies, during a visit to the United States in 1935. A single movement work in distinct fast-slow sections, it uses themes based on traditional songs of three Indian tribes from Mexico's northern Pacific coast, but molded into an almost Coplandesque orchestral setting, and heavily overlaid with percussion, both indigenous and standard. Enrique Batiz leads the Orquesta Sinfónica del Estado de México (Varese Sarabande VCDM 1000 220, digital); also offered as Sine Qua Non Seven Star Chrome Cassette 18) in the most extroverted account among the three new versions, and the energy with which his players attack the work's repetitive and thunderous closing pages is invigorating just to listen to. Luis Herrera de la Fuente, at the head of the Xalapa Symphony (Vox Cum Laude D-VCL 9033, digital), and Fernando Lozano, leading the Mexico

City Philharmonic (Desto DC 7218) eschew some of the surface electricity of Mr. Batiz's performance, in favor of a somewhat more subtle approach to pacing and shading. But both build impressively, and in the end, neither lacks anything in intensity.

All three recordings also feature Moncayo's "Huapango" — a piece of musical machismo, based on traditional dance forms, and reminiscent of the music used in the old Marlboro cigarette commercials; and Revueltas's "Sensemayá," a 1938 evocation of primitivism that has much in common rhythmically and texturally with Stravinsky's "Rite of Spring." Here again, Mr. Batiz's version emphasizes energy and sparkle, and in fact begins the work at full throttle, while his two colleagues start out slowly and quietly, and build to the work's climax more gradually. Mr. Herrera de la Fuente rounds his disk out with Blas Galindo's "Sonos de Mariachi," a bright and lively score based on folk tunes, and Revueltas's witty, lightly dissonant chamber piece, "Ocho X Radio." Mr. Lozano, on the other hand, fills out his disk with Carlos Maharak's more substantial dance suite, "Balada del Venado y la Luna" ("Ballad of the Deer and the Moon"), a work in a Romantic Franco-Russian idiom, and only a glancing hint of a Mexican accent.

Mr. Batiz's program concludes with another Revueltas score, the sometimes introspective, sometimes harsh and brassy "Homage to Federico García Lorca." Cast in three sections — "Dance," "Sorrow" and "Sound" — the work bears some formal resemblance to the Chávez "Sinfonia," if only because its outer movements are rhythmically insistent and full of quintessentially Hispanic themes, while the central one conveys a touching, poetic serenity. Mr. Batiz shapes this score more thoughtfully than he does the others on his disk.

Fernando Lozano has also recorded this "Homage" (Desto DC 7215), and although there are differences in tempo and balances between the two performances, both make strong cases for the score. The rest of Mr. Lozano's disk is given over to a large Revueltas work, "The Night of the



Carlos Chávez and, at upper right, José Pablo Moncayo are among the Mexican composers who have produced several works that are considered classics in their genre.

Mayas." This, actually, is a symphonic suite, based on material Revueltas composed for a film soundtrack, and arranged by José Ives Limantour, a Mexican conductor. This is an uneven work — much of it superficial in the way that film scores often are, but some of it quite beautiful, and lushly orchestrated.

Manuel María Ponce was one of Mexico's more prolific composers and he worked tirelessly, in the first half of this century, to establish a Mexican idiom. Yet his best known works are the many guitar pieces he wrote for the Spanish guitarist Andrés Segovia, and although some of these take in Mexican folk themes, most are in a decidedly cosmopolitan style. The guitarist Alice Artz has recorded three rather diverse scores, all composed between 1929 and 1932 (Meridian E77041). One of these, the Suite in A, is a Kreisleresque forgery, originally passed off as the work of the Baroque lutenist, Sylvius Leopold Weiss. Naturally, the suite's neo-Baroque style packs a good deal of charm, as does the more exuberant and folk-inspired

"Sonatina Meridional."

The major work here, though, is the 20 Variations and Fugue on "La Folia de España" — an extraordinarily demanding composition that echoes a number of historical and national styles, and one of the first truly gigantic works of the modern guitar literature. Miss Artz's performances may not embody the urgency and purely propulsive qualities that fuel competing recordings by Andrés Segovia, John Williams or Eliot Fisk, but that's not to say that hers lack drive. She aims for clarity and logic, and the comfortably paced results are often enlightening.

Moving southward from Mexico, the two most musical South American countries would seem to be Brazil and Argentina, each of which has strong popular and classical traditions that often overlap. The music of the Brazilian composer Ernesto Nazareth is a

case in point: Modeled on 19th-century European salon music, Mr. Nazareth's pieces also take in elements of African music and Brazilian folk improvisation. Today, many of Mr. Nazareth's pieces are central in the repertoires of Brazil's popular choro bands — ensembles that, like jazz bands, take an improvisatory approach — but the more rarely heard solo piano originals also stand up well.

Arthur Moreira Lima, a pianist known here primarily through his series of Chopin disks, is something of a Nazareth expert, and has recorded several LPs of the composer's music. The latest, "Tango, Waltzes, Polkas" (Pro Arte Sinfonia PAD-144, digital), contains a dozen works in a variety of styles — from the Chopinesque ("Eponina" and "Batique"), to the unmistakably Brazilian ("Fon-Fon" and "Odeon"), with peering hints of Gottschalk and Scott Joplin.

The music is clearly close to Mr. Lima's heart, and he puts it forth with vibrancy and energy.

Brazil's most famous composer was, of course, Heitor Villa-Lobos. Villa-Lobos was not only extraordinarily prolific, but he was apparently conversant with both European and Latin musical idioms. His two piano suites, "Prôto do Bebê" ("The Baby's Family"), are animated and by no means overly cute descriptions of toys: In the first suite (1918), the movements describe various dolls in an idiom that is purely Parisian Impressionist; the second (1921) describes toy animals, and takes a somewhat more dissonant tone, while retaining a basically Impressionistic flavor. The pianist Katrina Krinsky's performance of the suites strikes a nice balance between power and delicacy (1750 Arch S-1789).

Argentina is the home of the tango, and on an unusual LP called "The Tango Project" (Nonesuch D-79030, digital), we find a collection of traditional Argentinian tangos, performed by an approximation of a Latin tango orchestra. This band includes William Schimmet on accordion, Michael Sahl on piano and Stan Kurtis on violin, with an occasional second violin and bass part thrown in on several cuts. The playing is lively and bursting with a kind of outdoor cafe spirit. Yet, inventive as these arrangements are, many of these tango classics begin to sound too similar when heard all in one sitting. Taken in doses of a side at a time, though, this spicy collection can be quite a lot of fun.

The more sober side of Argentinian composition is represented in the Theater Chamber Players of Kennedy Center's two-disk "Romance to Alberto Ginastera" (Inter-American Musical Editions OAS-018). Once a musical nationalist who, like Chávez, Revueltas, Villa-Lobos and others, incorporated traditional material into his music, Mr. Ginastera adopted a more austere, international style in the early 1950's.

The three works recorded here are all products of the 1970's — a tense, forceful Cello Sonata, played by Aurora Nátzla-Ginastera, the late composer's wife; a String Quartet (No. 3, Op. 40) with an added soprano part; and a larger chamber score, the Serenata, Op. 42, for cello, baritone and a sizable ensemble. All the works are given strong performances, and although the sparse, static beginnings of the two larger chamber pieces may seem daunting at first, they eventually unfold into movements that are inventively scored, harmonically dense, at times, and often warmly sensuous.

Allan Kozinn writes frequently about music and musicians.

Samuel Beckett Strives To Distill His Vision

By MEL GUSSOW

In his art, Samuel Beckett pursues a course of courageous and pragmatic pessimism. Despite personal dilemmas and public calamities, man strives onward, adapting himself to each crisis and devising new methods of endurance. In his latest fiction, "Worstward Ho," Beckett urges, "Try again. Fail again. Fail better." From his point of view, the destination is unavoidable but the journey can be alleviated. For the past 25 years, since "Krapp's Last Tape," he has been distilling his vision, bringing his theater and his fiction into closer proximity and writing plays for one or two voices, a speaker and a silent listener or sentinel. Often these are two aspects of one persona. In some of the plays we do not even see a whole man or woman: the incessantly moving lips of the woman in "Not I"; the disembodied head surrounded by a flaring corona of white hair in "That Time." In others we glimpse an isolated figure in limbo: the daughter calculating her steps in "Footfalls." Though these plays are brief, some lasting a scant 15 minutes, in performance the effect can be awe-inspiring — a biographical time line refined into a single mesmerizing image.

While all his recent short pieces have had a unity of expression, in his last few plays there is a sign of increasing experimentation. In "Rockaby," for example, the woman's soliloquy is counterpointed by the sound and the rhythm of her chair, endlessly rocking away her minutes on earth. In "A Piece of Monologue," the speaker has a silent, totemic double, a tall standing lamp with a skull-like white globe. Any second we expect the lamp to speak. In his three newest plays, Off Broadway at the Harold Clurman Theater, Beckett continues to explore the dimensions of the short dramatic form. The result is a compelling triptych of disparate plays.

The opening play, "Ohio Impromptu," is a kind of companion piece to "A Piece of Monologue" (each was originally performed by that quintessential Beckett actor, David Warrow) speaks poetically and with a stunning theatricality about a lost love. "Catastrophe" is the evening's centerpiece, is a politically prescient black comedy about man's enslavement by the state. "What Where," the most enigmatic of the three pieces, is a cryptic gram of truth about the manipulation of man by man.

"Ohio Impromptu," commissioned and first performed for a Beckett festival at Ohio State University in 1981, begins on a brilliantly lit stage. Two men sit at right angles at a long table. They are dressed identically in long black coats and flowing white wigs. As doubles, they regard each other with silent suspicion. In the center of the table is a black, wide-brimmed hat such as might be worn by a pilgrim. The character identified as the Reader (David Warrow) turns the pages of a large volume, fighting the "old terror of night" to tell a story from the life of his companion and alter ego, identified as the Listener. It is a story about a departed loved one, who haunts the Listener's night thoughts.

Repeatedly the Listener interrupts the monologue with a knock on the table, which acts as punctuation and as a signal for the Reader to stop and to repeat. The Reader polishes his monologue, a self-editing process that itself is a motif in a number of recent Beckett plays, which deal tangentially with the creative process. In a sense, the Reader becomes a kind of Beckett's Krapp. Instead of replaying a tape, he replays a story with stops and starts. Eventually he arrives at the end, "the sad tale a last time told." In Beckett's own case, the telling never ceases. Stories, like footfalls, keep returning, with variations on variations, and, as in "Ohio Impromptu," with images that sear our memory.

Of the three plays, "Catastrophe" (pronounced in the Greek manner as a three-syllable word without a final "e") is the most elaborate and the most tangible. It takes place on a real stage, with scenery, contemporary costumes and an exchange of pungent dialogue. The play is dedicated to Vaclav Havel, the dissident Czechoslovak playwright, and was first presented in France as part of a festival honoring Havel. It is the most overt expression of Beckett's political consciousness, his compassionate testimony about the cause of human rights. To some degree, the piece represents a return for the author to the verbal playfulness of his earlier dramatic work. For all its mordancy, "Catastrophe" remains a comedy, albeit one on a most oppressive theme.

The scene is a stage being prepared for a public performance, such as one might encounter in an Iron Curtain country or in ancient Rome. A man, as bony as a cadaver, stands helplessly on a plinth, a prisoner in the dock awaiting sentence. He is identified as the Protagonist (hauntingly personi-

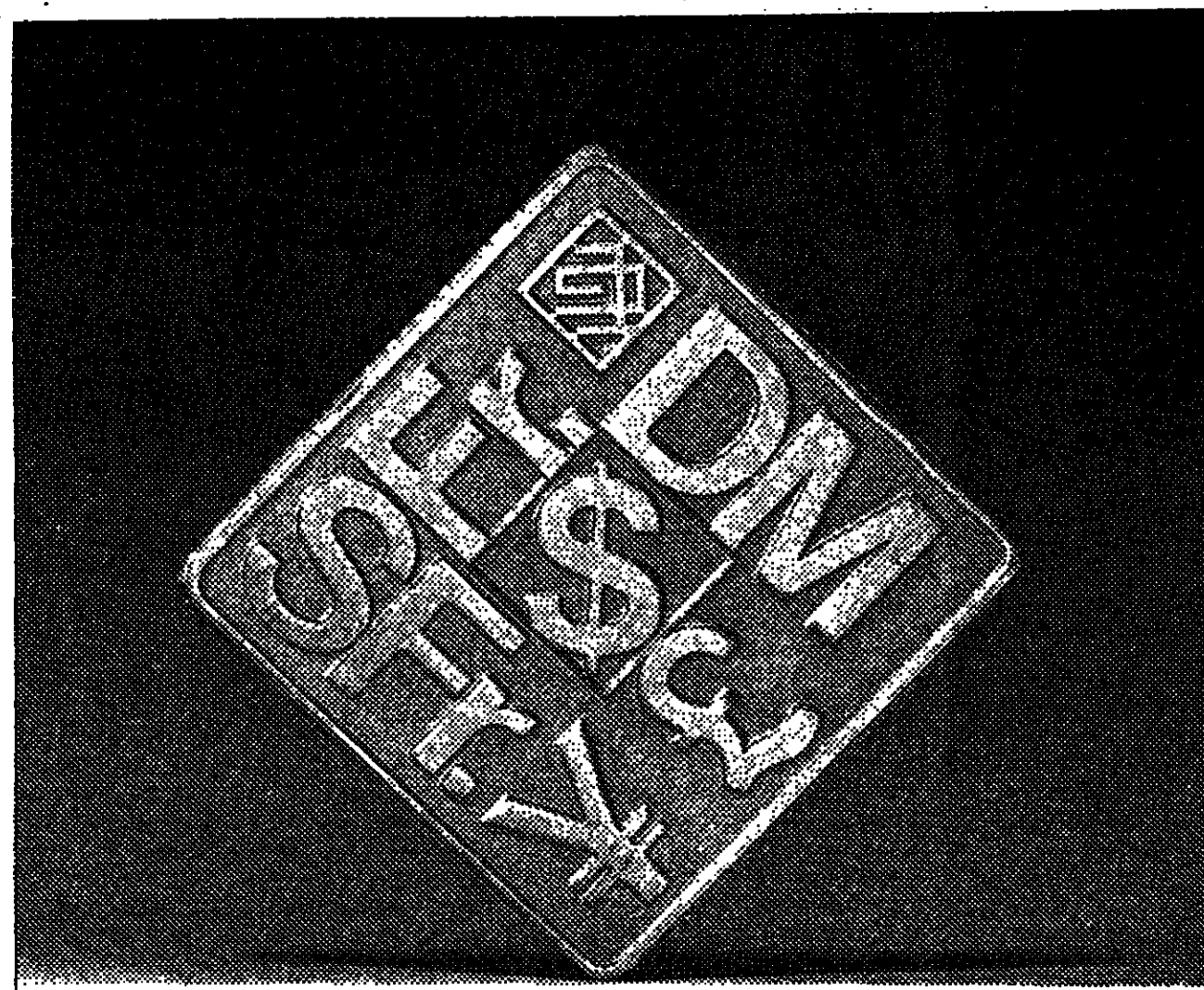
fied by Mr. Warrow). The Director, who is both a theatrical devisor and the representative of a police state, orders a female assistant to rearrange the Protagonist's limbs, features and clothes. He is molded as if he were clay on the way to becoming a statue of suffering. The figure is meant to serve as a death's head warning to others who might dare to follow him into an act of rebellion.

The Director (Kevin O'Connor who replaced Donald Davis in the role) is depicted as an overbearing bureaucrat, a fact that is deepened by his officious manner and his appearance; in his fur coat and toque he looks like a commissar. He is haughtily dismissive of his aide's suggestions, hurrying to a conclusion so that he can rush to a caucus. Finally satisfied with the one-man tableau, with his reordering of reality for propagandistic effect, the Director allows the victim to be placed on exhibition. We hear distant applause and the Protagonist stares at his unseen audience.

Although the political consciousness of "Catastrophe" may come as a surprise to some theatergoers, throughout Beckett's plays there is a concern with individualism in opposition to suppressive authority. Pozzo and Lucky in "Waiting for Godot" and Hamm and Clov in "Endgame" are only the most salient examples of masters tyrannizing servants.

With "Catastrophe" in mind, one turns to the third play, "What Where," and in context it appears to be another assault on totalitarianism. Four shrouded figures, dimly perceived in the half light, accept orders from the voice of a kind of grand inquisitor who demands that an unseen prisoner be given "the works." We are told that the victim "wept, screamed, begged for mercy," but did not confess, choosing torture over recantation. Offering an alternate, non-political interpretation, Mr. Schneider says that "What Where" is "about the impossibility of defining the nature of existence." From that perspective, "the works" are not a sequence of punishments but the great works of philosophy and literature, which each generation studies in search of universal truth.

Reading the play, one can see the possibility of this interpretation, but it does not negate the work's validity as a provocative political statement. The language that the author employs is that of interrogation, not of education. Witnesses are badgered, and "the works," whatever they are, are inflicted rather than imparted.



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Thinking hard about 1984

By LEA LEVAVI / Jerusalem Post Reporter

ARE WE COMING closer to Orwell's 1984, or moving farther away from it? The European Parliament and Council of Europe have decided to sponsor two weeks of cultural stock-taking at the beginning of 1984 in Strasbourg, where an interdisciplinary panel of thinkers will discuss various aspects of "1984, illusion or reality?"

The father of the idea was Professor Francis Rosenstiel, director of research for the Council of Europe, and Israel's contribution to the organizing committee is Professor Shlomo Shoham, professor of law, philosophy and theatre at Tel Aviv University. Shoham was chosen because of his interdisciplinary approach to the study of human beings.

"For 30 years, as a criminologist, I dealt with criminals and pervers,"

he said. "Then one day I decided to stop and try to look instead at normal society, at the substance of human life."

His recent books approach his topic — human beings — not only from a sociological, psychological human behaviour perspective but also from the viewpoint of philosophy, literature, the arts and any other human expression he could find. It is this breadth which interested Rosenstiel.

"I think we are becoming much too compartmentalized. Perhaps we cannot go back to the overall scholarship of the Renaissance, but we have to move away from overspecialization, so that we can understand each other's languages."

We are dealing with the same basic subject, humanity, but we cannot understand each other across disciplinary lines."

THE CONFERENCE will be divided broadly into three subject areas. "War is peace" will deal with political issues and "slavery is freedom" will include genetic engineering, human rights issues and other topics. Communication (including the concept of "Big Brother is watching you") will be the main focus of the "ignorance is strength" panel.

"Orwell was talking on many different levels, and his book is a good framework for a general cultural

stock-taking about where we are and where we are going," Shoham says. "I hope the deliberations will lead to some conclusion about what we can do, if anything, to move our world away from Orwell's 1984, and not closer to it."

Shoham raised the point that the Jewish year *tashmad* (which contains the Hebrew root meaning "destruction") and 1984 coincide.

"It cannot be coincidence; the statistical chances of that happening are too slim," he says. His theory is that Orwell, during his down-and-out years in Paris, may have become acquainted with a Kabbala scholar in one of the Paris slums. His choice of 1984 for the year in which his story took place may have been influenced by what this Kabbalist told him about *tashmad*, Shoham theorizes.

It off to American and European growers for testing in their climates. As a rule, these growers test hundreds — even thousands — of new roses annually in order to select one or two for commercial use. After three years of trials, the old established English nursery decided on Moriah.

Rose budding. "Gather ye rosebuds while ye may, Old time is still a-flying: And this same flower that smiles today Tomorrow will be dying."

Robert Herrick
Rose budding is an ancient method of propagation already practised by the Romans. It is usually considered too difficult for amateurs, but I shall describe it anyway, in case any adventurous readers want to experiment.

Budding is generally done in mid-summer, when the plants are full of sap and the bark peels easily. Buds are taken from the present season's growth of strong and healthy roses. Especially sharpened pruning knives are available, but an ordinary razor blade can do the job quite well.

The first step (as you can see from the drawing) is a clean cut which begins about one centimetre above the flower bud. The next move is a T-shaped incision in the bark of a wildling (wild rose stem or stock), as close to the ground as possible. Always be careful to cut the bark only and not the inner wood. The stock should be about as thick as a pencil.

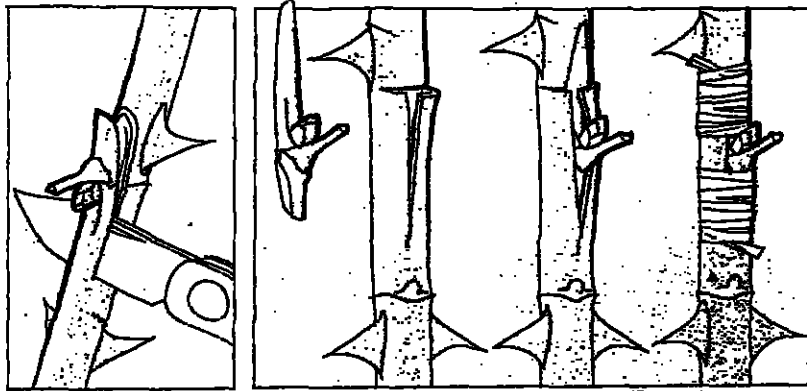
If there is no rooted wild rose bush in your garden (*Rosa indica*, *Rosa damascena* or *Rosa canina*), you can try the budding on a wild shoot (*hazir* in Hebrew slang), which often emerges from the rootstock of a cultivated rose. The corners of the cut are then lifted and the bud slipped into position. As a final step, the area above and below, but not over, the bud should be tied firmly with raffia or soft twine. The bud should "take" within two or three weeks.

Next spring, when growth starts, the top of the stock should be cut off just above the inserted bud and any sprouts below the bud removed. All growth then comes from the bud. The stem with the new bud can then be cut and rooted in a nursery frame or flower bed.

A steady supply of moisture is necessary until the new plant is well established. All roses appearing on it during the following season will be identical to the mother plant.

EXALTED BEAUTY

GARDENER'S CORNER / Walter Frankl



Different phases of rose budding

congress has begun; a large and happy family of rose growers has gathered in this enchanting flowering town of Baden-Baden, to pay homage to the queen of all flowers. Thousands of the most beautiful, most fragrant, multicoloured roses are exhibited here, as well as pictures, sculptures, books and decorations, all connected with roses. Bewitched by the charm, scent and variety of colour, we are reminded of the Rose Pilgrimage, the 5th congress held in Jerusalem in 1981. A specially-designed rose stamp and the signatures of prominent rose experts Otto Buchenman and Manfred Klose makes this postcard a welcome souvenir for my album.

Dr. Buchenman is director of the Botanical Garden in Dortmund, and Klose is in charge of the city's Westfalenpark rosearium — the greatest in Europe. Both men, who attended the congress, are dedicated and experienced gardeners, botanists and landscapers, in addition to their international status on the subject of roses. They are also good friends of Israel and of our own rose specialist, David Gilad, who, together with Amos Rosental, directs the Wohl Rose Park.

Five years ago, the two experts were helpful in promoting and exhibiting the first rose created in Israel by an Israeli — a yellow

bloom called "Ramai Gan," grown by Arnold Holtzman of Yahud. The rose has since been incorporated into Westfalenpark's permanent display. A sign shows its name and place of origin.

Sabra roses. Arnold Holtzman has done it again. After 18 years of laborious experiments in hybridizing roses, he has succeeded in creating a new one, named "Moriah." This is the first Israeli rose to become registered with the international rose registration authority; it has also achieved commercial success, marketed by a prominent rose nursery at North Kilkenny in England.

Moriah appears in full colour on the cover of the nursery's 1983/84 catalogue, described as "a rose for an exclusive garden." Holtzman wrote to me as follows:

"Moriah came from one of 15,000 seeds produced by my breeding 1975 programme. It is a particularly beautiful rose, noteworthy for its petals of excellent substance, good repeat flowering, and exceptionally vigorous growth. The colours are vivid, ranging in the same flower from orange-gold to pale straw and to pink-violet. But its special prize is its scent — something which is becoming increasingly rare in roses these days."

"After experimenting with the rose here in Israel for two and a half years," Holtzman continues, "I sent

Old wives' tales

LISTENING IN... / Ze'ev Schul

astrology? I even have a name for it: "Be a Fatalist and Stop Trying." It would make Israelis' lives so much easier — and the most important man in the government would then be the Knesset astrologist. There have, after all, been biblical precedents.

THERE ARE ALL kinds of roots. What I didn't like about last week's Sephardi suppers (hereinafter referred to as "Triple S") was its implied kinship with Roots, the popular TV saga. I never did find out whether the Israeli version turned out as sensational and as its organizers hoped, or whether it simply fizzled out. For once, the radio's treatment was deferential to the utmost. I cannot remember many subjects being given an equivalent amount of prime listening time; the early evening hours of consecutive days featured previews and in-depth features on the main aspects of this world Sephardi reunion.

The Israeli Sephardi *landmanschaften* in Los Angeles sent their representatives, who professed to love Israel dearly, now that they are financially established and can afford a trip here and invite their next of kin. Just like the Ashkenazim.

"Triple S" was launched early in the week by author Gabi Ben Simhon, who announced that he wished to "calm everybody," adding, "We are one people, speaking one tongue and living in one country." The fact that Mr. Ben Simhon found it necessary to administer this tranquillizer, sent to quote one of Broadcasting House's favourite clichés, "a red warning light" through my brain.

I am confused — but who wouldn't be if he had a neighbour of purest North African descent answering to the name of Ashkenazi, and a *yekke* *ben yekke* childhood friend with an impeccable family tree, whose family name is Frank?

FOR GOOD and not-so-clean fun, there is nothing to compare with a Knesset debate. Trust Gadi Gazit to jump the gun and become the first to summarize the session while the prostrate bodies of MKs were still being carried out after their

fight. Gadi's panel on Thursday afternoon included indomitable MK Mordechai Virshupski, and, representing the press, Messrs. Gideon Reichert and Arye Golan.

I switched on at a point where shoe was, so to speak, on the other foot, with Virshupski handing out end-of-term grades.

TV and radio came off pretty well, but the newspapers, according to the Knesset representative, were "incapable of separating the wheat from the political chaff." Reichert, it must be said, put up a spirited defence, pointing out that what was left after on-the-hour radio news broadcasts, four full radio newsreels plus commentaries and the TV news-casts at five, noon and midnight, did not leave much of substance for the morning papers' news desks.

Reichert and Golan also revealed more about the art of leaking to the press. It emerges that the tapping of confidential Knesset information isn't as difficult as most laymen believe. The good old axiom that more than the farmer wants the milk, the cow wants to be milked, seems to apply with 120 Knesset members only too anxious to show their hard working public, via the press, what they are doing. But there are only a few morning and afternoon papers. This made rewarding listening.

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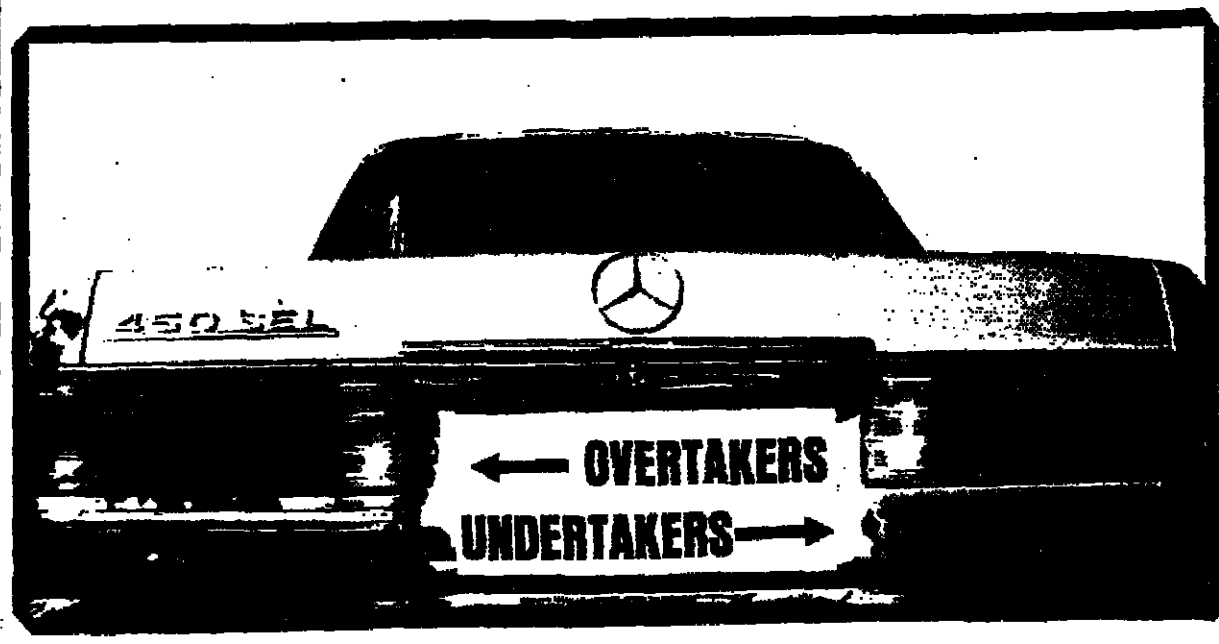
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Higher compensation wanted for shipping through Eilat

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — The country's importers and exporters are threatening to "kill" Eilat harbour by withholding their business, unless the overland transport allowance on Eilat cargoes "is raised to a reasonable level."

At a meeting of the Shippers Council here the traders also demanded that Zim's six new container ships operating out of Eilat call at Ashdod and Haifa on their way to and from Italy through the Suez Canal. This change would lower shipping costs for many goods.

The shippers noted that they had firmly supported the southern harbour as "a national asset," but that the world-wide recession had put them under hard pressure from

European competitors. They said they could no longer afford the "considerable" extra costs of shipping their Far East trade through Eilat.

The Ports Authority and Transport Ministry allow them IS990 on each small container and IS1,980 on large containers of exports to the Far East to compensate for the overland transport to Eilat. But in fact the transport costs are IS20,000 and IS32,000, respectively, adding large sums to the cost of doing business and lowering competitiveness. Importers from the Far East are compensated only for certain cargoes "and at negligible rates," while exporters of bulk cargoes get no compensation at all.

In order to "save" Eilat, the shippers called on the Ports Authority to either cancel the two per cent wharf fee or to increase compensation payments.

Leumi floats \$60 million Eurodollar issue

TEL AVIV. — The Bank Leumi Group has successfully floated, through Leumi International Investments, its affiliate in the Antilles Islands, a \$60 million issue to the Eurodollar market.

The capital notes, which are fully guaranteed by Bank Leumi, will be redeemed in 1990, or if the buyers wish, as late as 1993.

The notes bear interest of one quarter of one per cent above the mean established by the average rate between the bid and offer in the

International Financial Market in London.

This sum (\$60m.) brings to \$515m. the total raised by the Leumi Group in the Eurodollar since 1976. Some \$30m. of this sum was redeemed at the end of 1981.

COMPUTERS. — Eighteen handicapped teenagers from the Negev region are taking part in a computer camp at Ben-Gurion University, where they are learning basic computer language and computer games.

'Haredi' stores undersell grocers

By AARON SITTNER
Jerusalem Post Reporter

The success of Haredi-sponsored minimarkets is disturbing private grocers in Jerusalem's Mea Shearim and Geula neighbourhoods, who charge the chain with unfair competition.

In a complaint to the State Comptroller on their behalf, the Jerusalem Merchants Association says that "to the best of their knowledge," the private grocers believe that these minimarkets can undersell them because they do not pay value added tax and operate without a municipal licence.

The association has obtained a copy of a letter by the Treasury's budget director, in which it is disclosed that one Haredi-operated chain, Yad L'Yisroel, is to receive a grant of IS8 million from the Treasury.

In its letter to State Comptroller Yitzhak Tulk, the merchants' organization asks: "Is it right to tax grocers and with that money subsidize their competitors? If Yad L'Yisroel is devoted to serving so-called large families, then why shouldn't multi-child families in other neighbourhoods, besides Mea Shearim and Geula, enjoy such subsidization? What is more, Yad L'Yisroel makes absolutely no checks of the people who come to buy at their shops. Everybody and anybody is welcome. Prices are lower, and tax-paying grocers lose business."

The Jerusalem Merchants Association has officially requested that the grant to Yad L'Yisroel be cancelled.

Campaign to push Blue-White gifts for Rosh Hashana

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The equivalent of \$100,000 is going to be spent by the Manufacturers Association in a nation-wide publicity campaign to be launched in mid-August. The campaign will try to convince all employers and the workers committees to give Made in Israel (Blue-White) presents for Rosh Hashana and all other holidays.

"We don't know how many of these presents are imported, but we have a feeling that it is a considerable percentage," Eli Laniado, spokesman of the Manufacturers Association, said yesterday.

He noted that work on planning the campaign, whose slogan will be "Give an Israeli present on a Jewish holiday," was begun two months ago. So far, nearly all the public bodies in the country, such as the Civil Servants Union, the Histadrut, and the municipalities, have agreed

to participate, as have most work committees in these and other undertakings.

All of the \$100,000 has already been donated, or pledged, and 90 per cent has come from private bodies.

Among the retail outlets which have promised to participate are Shekem, the Zarchanot, Hamashbir Lezarchanot, and Superol, who will give special reductions on locally-made products. Many undertakings do not give actual presents, but gift certificates which can be exchanged for goods.

Laniado said that "each worker during all these holidays" gets gifts, either from management or from his work committee, valued at more than IS1,000 a year. Since there are more than one million workers, most of whom get gifts, this means a turnover of IS1,000 million shekels. This is a considerable sum, and it should help local industry in moving its products.

Mizrahi N.Y. had \$1.3m. profit at mid-year

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The UMB Bank and Trust Company, which is Mizrahi's New York outlet, made a profit of \$1.3 million in the first six months of 1983, a 39 per cent increase over the same period last year. The bank states that the first half of this year was its most profitable since it opened for business five years ago.

The balance sheet grew by 35 per cent, to stand at \$430m. Loans grew by 64 per cent, to \$199m., and deposits by 31 per cent, to \$314m.

The total stockholders' equity (capital stock, paid-up capital and undivided profits) now stands at \$23.7m. This is a 47 per cent growth in equity during the past year.

The bank notes that its successful growth during the past five years must be viewed in light of the recession which prevailed in the U.S. during part of that time.

Your money and your questions

By JOSEPH MORGENSTERN
Post Finance Reporter

QUESTION: In 1971 I bought two sets of Ben-Gurion gold coins for \$520. Today I can buy them for \$450 each. Have they been overvalued?

ANSWER: At the time the Israel Government Coins and Medals Corp. minted an excessive amount of these sets and therefore they have not acquired "rare value." Their current price simply reflects the price of gold.

QUESTION: What is your opinion of oil shares and what is the difference between IS1.0 and IS5.0 shares?

ANSWER: The prices of oil shares are directly related to hopes that a company will strike oil. If there is such a strike, a speculative rise in the shares is expected. That is the reason why oil shares are among the more speculative of all investments. The IS1.0 shares generally carry voting rights, while the IS5.0 shares do not.

QUESTION: I have retired recently and most of my savings are in two pension funds. I would like to know what are the real percentage yields per year, and what monthly withdrawals would you recommend?

ANSWER: The real yields achieved by the pension funds of the major banks have been between 5 and 13 per cent, and these funds are considered a very safe form of saving. How much you should withdraw every month depends on your personal needs. Each fund will on request supply you with its annual financial statement.

cheques drawn on foreign banks, excessive. What do you think?

ANSWER: By law Israeli banks must publish a table of maximum commissions they charge for various services. Generally speaking, these charges are in line with those of banks in the U.S. and England. You may also keep in mind that good customers will always receive preferential treatment regarding charges.

QUESTION: I am a new immigrant and have taken out a mortgage. To the best of my knowledge I have been repaying faithfully. But I am now being charged back interest for not paying charges on time and I have no way of knowing how these charges were calculated. What should I do?

ANSWER: You should insist on getting an itemized statement of account regarding the sums owed, sums paid and how the interest was arrived at. If the bank does not provide you with this information you should turn to the Bank of Israel, which will investigate whether your complaint is justified.

QUESTION: The local bank branch manager is urging me to convert dollars and invest in bank-managed savings schemes. What do you think of the idea?

ANSWER: There is certainly room for the inclusion of savings schemes in a reasonably sized investment portfolio. It should be kept in mind, however, that savings schemes are not liquid, and that in order to enjoy their full benefit they must be held to maturity. Savings schemes are not liquid, and that in better yield than comparable investments in index-linked bonds.

Israel Lands Administration
Central District

Offer for Lease of Plot in Gedera for Construction of 3 Shops
Tender No. M/83/39

The Israel Lands Administration requests bids for lease of a plot for the construction of 3 shops in Gedera. Area details and construction potential at the time of publication of the tender were as follows:
Block: 4575; Parcel: 411; Total shop area (sq.m.): 100; Each shop (sq.m.): one shop — 34, two shops — 33; Minimum required price (sq.m.): 1,028,000; Deposit (sq.m.): 50,000.

In addition to land price, the tender awarder will be required to pay the Gedera Local Council the sum of IS 64,596 for the development outlay, linked to the January 1983 index.

Offer for Lease of Plot at Kiryat Ekron for Construction of a Small Commercial Centre
Tender No. M/83/40

The Israel Lands Administration requests bids for lease of a plot for the construction of a small commercial centre. Area details and construction potential at the time of publication of the tender were as follows:
Block: 3798; Parcel: 138; Plot: 905; Approx. area (sq.m.): 640; Total building %: 50; No. of floors: 1; Minimum required price (IS): 1,080,000; Deposit (IS): 50,000.

Details, sample contracts and bid forms are available at our central district office, Tel Aviv, 88 Derech Petah Tikva, 1st floor, Tel. 335211, during regular working hours.

Deadline for submitting tender bids is August 25, 1983 at 12 noon. Bids not in the tenders postbox by that time will not be considered.

The Israel Lands Administration does not undertake to accept the highest bid or any bid whatsoever.

Israel Lands Administration
Haifa District

Offer for Lease of Total Construction Plot at Kiryat Ata
Tender No. H/83/41

The Israel Lands Administration requests bids for the lease of a total construction plot at Kiryat Ata. Area details and construction potential at the time of publication of the tender were as follows:
Block: 11120; Parcel: 108; Approx. area (sq.m.): 981; Total gross construction area: 496; No. of floors: 2; Minimum price (IS): 827,026; Deposit (IS): 30,000.

Offer for Lease of Total Construction Plot at Kiryat Ata
Tender No. H/83/42

The Israel Lands Administration requests bids for the lease of a total construction plot at Kiryat Ata. Area details and construction potential at the time of publication of the tender were as follows:
Block: 11120; Parcel: 109; Approx. area (sq.m.): 1008; Total gross construction area: 504; No. of floors: 2; Minimum price (IS): 836,526; Deposit (IS): 30,000.

Details, sample contracts and bid forms are available at our Haifa district office, 13 Rehov Ha'atzmaut, Tel. 660951, during regular working hours.

Deadline for submitting tender bids is August 25, 1983 at 12 noon. Bids not in the tenders postbox by that time will not be considered.

The Israel Lands Administration does not undertake to accept the highest bid or any bid whatsoever.

Israel Lands Administration
Central District

Offer for Lease of Plot for Construction of 2 Housing Units in Nahalat Yehuda
Tender No. M/83/46

The Israel Lands Administration invites bids for a development contract for the area, details of which at the time of publication of the tender were as follows:

Block	Parcel portions	Approx. area (sq.m.)	Building ratio (sq.m.)	Minimum price (IS)*	Deposit (IS)
6093	324	1192	536	4,355,568	217,500

* Plot status and development assessed as of present date.

In accordance with Municipal Building Plan MM/472/10, it is permitted to build only 2 housing units on the plot — 30% per floor or 45% for two floors, with an additional 18 sq.m. as auxiliary structures and a 50 sq.m. basement for each housing unit.

Only Nahalat Yehuda residents may participate in the tender competition.

Details, sample contracts and bid forms are available at our central district office, Tel Aviv, 88 Derech Petah Tikva, during regular working hours.

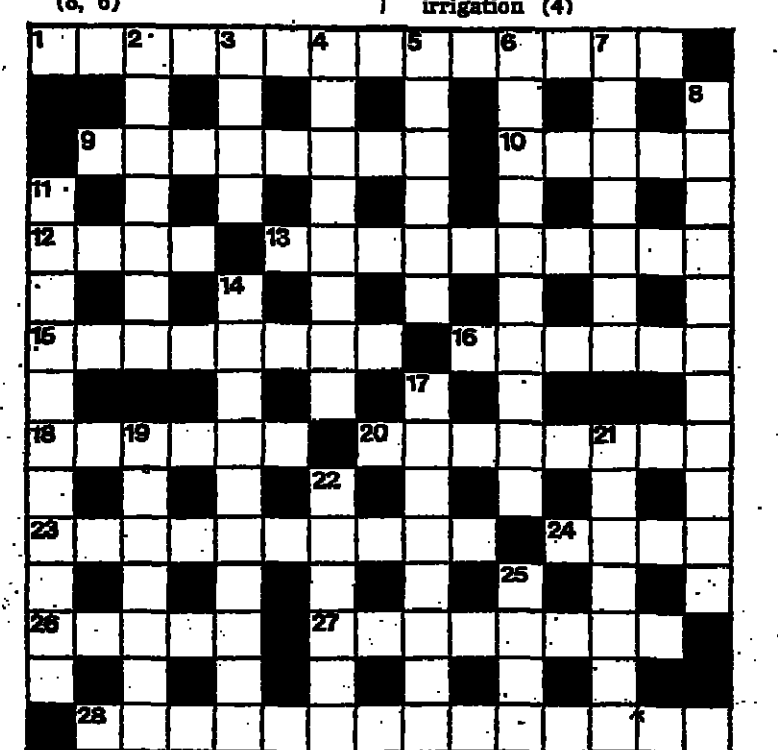
Deadline for submitting tender bids is September 1, 1983 at 12 noon. Bids not in the tenders postbox by that time will not be considered.

The Israel Lands Administration does not undertake to accept the highest bid or any bid whatsoever.



ONE-AND-ONE CROSSWORD

- ACROSS**
- Suitable repository for the anti-royalist party's funds? (7)
 - He tore in ahead, which is only natural (8)
 - Victorian heroine caught in an untruth (5)
 - Finished on the other side (4)
 - Straining at the leash, the gunmen telephone a West African country (6, 2, 2)
 - Tenniel's odd-shaped watch (8)
 - Add a couple of pages, then stop (6)
 - Ill-suited for the jobs that ought to be done (6)
 - Fantastic dream about a period in Guyana (8)
 - A pre-arranged share that will put things right again (10)
 - Untied reef-knot (4)
 - Dressed and ready for bed? (5)
 - High-scoring match that gets out of control, apparently (4, 4)
 - He's not responsible for the news that gets into the paper (8, 6)
- DOWN**
- A girl full of enthusiasm for buff-coloured cloth (7)
 - An evergreen old priest getting up to vote (4)
 - They go to pieces when hurled into the fray (8)
 - Kitty's favourite blue flower? (4)
 - A green pole so treated shouldn't be left on the pavement (6-4)
 - Disgusting row about a distinguished award (7)
 - What most successful shopkeepers want their cash registers to do? (6, 5)
 - Too mindful of others to create wanton desecration? (11)
 - Acknowledge the good work that hire-purchase companies do (4, 6)
 - Automatically comes back and has another jump (8)
 - Recommend a famous player-manager for a place in Essex (7)
 - For example, Charles de Gaulle's dry wine (7)
 - A warehouseman, disturbing rest or breaking in (8)
 - In a way I am in need of irrigation (4)



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Oran, 27 King George, 222043; Balsam, Salah Eddin, 272315, Shu'afat, Shu'afat Road, 810108, Dar Eldawa, Herod's Gate, 283058.

Tel Aviv: Pisker, 20 Pisker, 296519, Superpharm, Neve Avivim.

Netanya: Geva, 14 Sha'ar Hagai, 22695, Haifa: Yavne, 7 Ibn Sina, 672288, Harman, K. Motzkin, 715136.

FIRST AID

Magen David Adom first aid centres are open from 8 p.m. to 7 a.m. Emergency home calls by doctors at fixed rates. Sick Fund members should enquire about rebate.

Phone numbers: Jerusalem, Tel Aviv, Haifa — 101, Dan Region (Ramat Gan, Bnei Brak, Givatayim) — 781111.

Ashdod 2322, Nazareth 54333, Netanya 23333, Petah Tikva 912333, Rehovot 054-51333, Rishon LeZion 942333, Safed 30333, Tiberias 20111.

DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics, E.N.T., Hadassah E.K. (internal, surgery, orthopedics, Misgav Ladach) (obstetrics), Shaare Zedek (ophthalmology).

Tel Aviv: Rukach (pediatrics, internal, surgery), Netanya: Laniado (obstetrics, internal, pediatrics, gynecology).

Misgav Ladach: Open line 4-6 p.m. every Monday answers to obstetrics, gynecological, sterility, sexual functioning and family planning problems. Tel. 02-633356.

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POLICE

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 40444.

Israel Lands Administration
Central District

Offer for Lease of 2 Industrial Construction Plots at Beer Yaacov
Tender No. M/83/45

The Israel Lands Administration invites bids for a development contract for areas, details of which at the time of publication of the tender were as follows:

Block	Parcel portions	Plot	Approx. area (sq.m.)	Building ratio	Minimum required price (IS)*	Deposit (IS)
3831	44,48,94	8	1500	40% per floor + 10% auxiliary structures; 10m. high	1,175,086	50,000
3831	94	9	1300		992,944	50,000

* Plot status and development have been assessed as of the present date (electricity and water). Additional development costs must be paid by the tender awarder to the Local Council in accordance with municipal auxiliary regulations.

Only Ministry of Trade and Industry recommendees are eligible for participation in the tender competition. Details, sample contracts and bid forms are available at our central district office, Tel Aviv, 88 Derech Petah Tikva, during regular working hours.

Deadline for applications for Ministry of Trade and Industry references is September 1, 1983, and the deadline for submitting tender bids is 12 noon on October 5, 1983. Bids not in the tenders postbox by that time for any reason whatsoever, will not be considered.

The Israel Lands Administration does not undertake to accept the highest bid or any bid whatsoever.

Israel Lands Administration
Jerusalem District

Offer for Lease of 2 Association Construction Areas at Ramot 03 Quarter, Jerusalem

A. In connection with the press notice calling for the organization of associations for participation in the draw for owner-occupier construction at Ramot 03 Jerusalem, the Lands Administration invites these associations to participate in the draw for the areas outlined hereunder. Area details and construction potential at the time of publication of the tender were as follows:

Tender	No. of plots	Municipal building plan	Approx. area (sq.m.)	Total housing units to be built	Development costs (IS)*	Land value capitalisation (IS)
JM/83/43	1-12	3086	10,700	69	51,959,450	40,057,290
JM/83/44	1,5-13	3085	15,052	73	54,760,000	50,044,176

* 1. Correct as of June 1983 building input index and to be updated to date of actual payment.
2. To be paid separately to the Armm company in accordance with the firm's usual credit conditions.
3. Deposit: IS 2,000,000.
4. Only legally registered associations may participate in the draw.
5. The application, accompanied by deposit and proper listing (as per association membership regulations published and certified by an advocate), must be submitted to the Transactions Unit, 34 Rehov Ben-Yehuda, 12th floor, during regular working hours, by 12 noon on September 13, 1983.
6. Plot draw will be held at the above Administration district office at 9.30 a.m. on September 19, 1983.
7. Applications not submitted as requested for any reason whatsoever, will not be considered.
8. The Israel Lands Administration does not undertake to accept any request.

Yesterday's Solutions

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O B S E R V E R S
R O F F M A N D O T I L E
K A O G A K B R
B R A K I T E N T L Y
D K E E O B
G U A R D D U T Y

QUICK SOLUTION

ACROSS: 1 Greece, 4 Paint, 8 Vault, 9 Abstem, 10 Road hog, 11 Move, 12 Elk, 14 Term, 15 Envy, 16 Gown, 21 Once, 22 Improve, 25 Leading, 26 Advert, 27 Rampe, 28 Delate, DOWN: 1 Governor, 2 Emulate, 3 Catching, 4 Foe, 5 Lash, 6 Tender, 7 Bridge, 13 Lapsack, 16 Violate, 17 Poplar, 18 Mirth, 20 Beetle, 22 Charm, 24 Also

TOUR VA'ALEH
W.Z.O. Aliyah and Absorption Dept.
Invites
Visitors From Abroad
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One-Day Trip
to Central Galilee
departing from TEL AVIV on
WEDNESDAY, AUGUST 3, 1983.

There is no charge for the trip, but the sum of IS 190 per person will be collected to cover costs of buffet luncheon at a moshav.

For registration and further details call: 03-268542 or 03-258311 ext. 28.

Registration hours:
Daily 8 a.m.-1 p.m.
Registration closes:
Tues. Aug. 2 at 12 noon

TOURISTS
are invited to an evening of
"QUESTIONS AND ANSWERS"
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banking in Israel
Tonight, Monday, August 1, 1983
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at the Plaza Hotel, Jerusalem

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